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Warsaw Pact Foreign Ministers Meet in Berlin

Shevardnadze Arrives, Met by Fischer

LD1305092888 East Berlin ADN International Service in German 0911 GMT 13 May 88

[Text] Berlin, 13 May (ADN)—Eduard Shevardnadze, member of the CPSU Central Committee Politburo and USSR minister of foreign affairs, arrived in the GDR capital this morning for the meeting of the foreign ministers of the Warsaw Treaty members. He was warmly welcomed at Berlin Schoenefeld Airport by Oskar Fischer, memebr of the SED Central Committee and GDR minister of foreign affairs

The other participants of the meeting are already in Berlin.

Participants Listed

LD1305114288 East Berlin ADN International Service in German 1104 GMT 13 May 88

[Text] Berlin, 13 May ADN—A meeting of the foreign ministers of the Warsaw Treaty member states began in Berlin on Friday.

The meeting in Niederschoenhausen is being attended by the minister of foreign affairs of the People's Republic of Bulgaria, Petur Mladenov; the minister of foreign affairs of the Hungarian People's Republic, Peter Varkonyi; the minister of foreign affairs of the GDR, Oskar Fischer; the minister of foreign affairs of the Polish People's Republic, Marian Orzechowski; Romanian ambassador to the GDR Gheorghe Caranfil, representing the Socialist Republic of Romania; the minister of foreign affairs of the USSR, Eduard Shevardnadze; and the minister of foreign affairs of the CSSR, Bohuslav Chnoupek.

Shevardnadze Briefs Ministers

LD1305141688 East Berlin ADN International Service in German 1305 GMT 13 May 88

[Text] Berlin, 13 May ADN—A meeting of the foreign ministers of the Warsaw Treaty member states took place in Berlin on 13 May 1988. Foreign Minister Eduard Shevardnadze, Politburo member of the CPSU Central Committee, informed his colleagues about his talks in Geneva with U.S. Secretary of State George Shultz in preparation for the Moscow summit.

There foreign ministers of the Warsaw Treaty member states expressed their full support for the USSR's approach to the negotiations with the United States and their hope that the negotiations between M.S. Gorbachev and R. Reagan will produce substantial agreements for halving strategic offensive weapons and on other disarmament questions, as well as in bilateral agreements. The meeting took place in a fraternal atmosphere.

The meeting was attended by Bulgarian Foreign Minister P. Mladenov, Hungarian Foreign Minister P. Varkonyi, GDR Foreign minister O. Fischer, Polish Foreign Minister M. Orzechowski, Romanian Ambassador to the GDR G. Caranfil in his capacity as representative of the minister of foreign affairs of the Socialist Republic of Romania, USSR Foreign Minister E.A. Shevardnadze, and CSSR Foreign Minister B. Chnoupek.

Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, received the foreign ministers of the Warsaw Treaty member states for a talk. It took place in an atmosphere of fraternal friendship.

Following the foreign ministers' discussion, Oskar Fischer and the other participants met for a joint luncheon at Schloss Niederschoenhausen.

USSR Stance on Disarmament Supported

LD1305135600 Warsaw PAP in English 1325 GMT 13 May 88

[Text] Berlin, May 13—The foreign ministers of the Warsaw Treaty member states started a meeting here today to look at the results of the talks between Soviet Foreign Minister Eduard Shevardnadze and U.S. Secretary of State George Shultz which ended yesterday in Geneva.

Poland is represented at the meeting by Marian Orzechowski. The foreign ministers of the Warsaw Treaty member states supported the line adopted by the Soviet Union in the negotiations with the United States and expressed the hope that the approaching talks between Mikhail Gorbachev and Ronald Reagan would be crowned with essential agreements concerning a 50-percent reduction of strategic offensive weapons, as well as other disarmaments issues and bilateral relations.

After the meeting, the ministers were received by general secretary of the Socialist Unity Party of Germany, Chairman of the GDR's Council of State Erich Honecker.

Honecker Receives Ministers

LD1305163388 East Berlin ADN International Service in German 1448 GMT 13 May 88

[Text] Berlin, 13 May (ADN)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, today received the foreign ministers of the Warsaw Pact member-states.

CSSR Foreign Minister Bohuslav Chnoupek reported on behalf of his colleagues on the course and results of the foreign ministers' meeting, at which Eduard Shevarnadze informed them about his talks in Geneva with George Shultz and about the preparation of the Moscow summit between Mikhail Gorbachev and Ronald Reagan.

Erich Honecker thanked the foreign ministers for their work and assessed it as an expression of the fact that the Warsaw Pact member-states are working purposefully toward realizing their peace program, coordinated jointly at the Berlin session of the Political Consultative Committee. Its beneficial influence on the international climate could not be overlooked, and the initial successes of disarmament encourage all those who want peace and detente to continue along this path.

The GDR State Council chairman said that the fact that the USSR can continue to rely on the mandate of the allies in the forthcoming negotiations with the United States is the most important result of the foreign ministers' meeting in Berlin.

Erich Honecker said that the GDR is doing its utmost for the success of the talks between Mikhail Gorbachev and Ronald Reagan. He stressed that in view of the attempts to delay the coming into force of concluded agreements or to "compensate" their effect, dedicated work by all forces of reason is required. He informed the foreign ministers about the preparations for the Berlin meeting for nuclear weapons-free zones, and expressed his certainty that this representative forum of figures from all continents will lead to positive effects for the progress of the disarmament process, for peace, and international security. He asked the foreign ministers to convey the leading representatives of the fraternal countries his most cordial greetings and best wishes.

Varkonyi on Pact Talks

LD1305213388 Budapest Domestic Service in Hungarian 1630 GMT 13 May 88

[Text] [Announcer] Our foreign political editor tonight is Peter Nyarady. The foreign ministers of the Warsaw Treaty met in Berlin today in order to receive firsthand information on the Soviet-U.S. discussions in Geneva. Is there any interesting information on today's meeting?

[Nyarady] The meeting itself had the character of a briefing, and not many surprising things could be expected today. However, perhaps it is interesting that Romania was represented not by its foreign minister, but by its ambassador in Berlin. Our country's foreign minister, Peter Varkonyi, spoke to radio and MTI correspondents in Berlin on the substantive information.

[Begin Varkonyi recording] The foreign ministers of the Warsaw Treaty member states regularly hold working meetings, and this one in Berlin is one of these. Comrade Shevardnadze gave detailed information on the Soviet-U.S. foreign ministers discussions in Geneva and on the preparation for the Moscow summit. The ministers noted with satisfaction that in the wake of joint efforts and a readiness for mutual compromise, there was success in Geneva in averting the obstacles facing U.S. ratification of the INF agreement, and several issues related to the summit were agreed.

The foreign ministers unanimously supported the report of the head of Soviet diplomacy, and they voiced their hope that there would be success in concluding, as soon as possible, an agreement on a 50-percent reduction in strategic offensive weapons, which will figure on the agenda of the Soviet-U.S. talks. [end recording]

Warsaw Pact Military Council Meets in Sofia

Session Delegations Arrive

AU1305182688 Sofia NARODNA ARMIYA in Bulgarian 12 May 88 p 1

[Major Lyubomir Denov report: "For Strengthening Fraternal Friendship, Unity, and Combat Cooperation"]

[Excerpt] The following delegations have arrived for the regular session of the Military Council of the Joint Armed Forces of the Warsaw Pact Member States: A delegation of the Hungarian People's Army led by Lieutenant General Lajos Morosz, state secretary at the Ministry of Defense of the Hungarian People's Republic; a delegation of the GDR National People's Army led by Colonel General Fritz Streletz, deputy minister of national defense and head of the General Staff of the GDR National People's Army; a delegation of the Polish Army led by General of Arms Antoni Jasinski, Poland's deputy minister of national defense; a delegation of the USSR Armed Forces led by Army General Mikhail Sorokin, deputy minister of defense; a delegation of the CSSR People's Army led by Colonel General Karel Rusov, CSSR first deputy minister of national defense; and a delegation of the Staff of the Joint Armed Forces of the Warsaw Pact Member States.

At Sofia airport the delegations were greeted by Colonel General Khristo Dobrev, first deputy minister of national defense and leader of the delegation of the Bulgarian People's Army, and by generals and officers.

Colonel General Aleksandr Zvartsev, representative of the commander in chief of the Joint Armed Forces of the Warsaw Pact Member States to the Bulgarian People's Army, and military attaches of the socialist countries accredited in Sofia, were also at the airport.

The military delegation of the SR of Romania led by Colonel General Marin Nicolescu, deputy minister of national defense, arrived at Sofia Central Train Station. The delegation was greeted by Colonel General Boris Todorov, deputy minister of national defense, and by generals and officers of the Bulgarian People's Army. [passage omitted]

Current Military Issues Considered

LD1305214288 Warsaw PAP in English 2125 GMT 13 May 88

[Text] Sofia, May 13—The Military Council of the Joint Armed Forces of the Warsaw-Treaty Member-States held a meeting here between May 11 and 13.

The meeting convened with the participation of commander-in-chief of the Joint Armed Forces and Marshal of the Soviet Union Viktor G. Kulikov, members of the Military Council, representatives of defence ministries of the Warsaw-Treaty member-states and command bodies of the Joint Armed Forces.

Guided by the resolutions resulting from the defensive nature of military doctrine of the Warsaw-Treaty member-states, the Military Council considered certain issues of the current state and further development of the joint armed forces and adopted agreed recommendations.

The debate was held in a business-like climate and in the spirit of friendship and mutual understanding.

Council Session Ends
LD1305163688 East Berlin ADN International Service in German 1602 GMT 13 May 88

[Text] Sofia, 13 May ADN—A 3-day routine session of the Military Council of the Warsaw Pact Joint Armed Forces ended in Sofia on Friday. It was attended by Marshal of the Soviet Union Viktor Kulikov, Commander in Chief of the Joint Armed Forces, members of the Military Council, representatives of the Defense ministries of the member-states, and senior cadres of the leading bodies of the Joint Armed Forces. Proceeding from the requirements resulting from the defensive character of the military doctrine of the alliance, the body discussed the present state and future development of the Joint Armed Forces and adopted agreed recommendations.

The meeting proceeded in a businesslike atmosphere, in a spirit of friendship and mutual agreement.

The same day Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council of the People's Republic of Bulgaria, received the leaders of the delegations from the fraternal armies. Viktor Kulikov informed him about the work of the session.

Gorbachev Meeting With USSR Media Assessed

AU1305113888 Sofia RABOTNICHESKO DELO in Bulgarian 12 May 88 p 5

[Editorial article: "Guarantee of the Irreversibility of the Process of Renewal"]

[Text] The lives of the USSR Communists and all working people are already marked by the forthcoming CPSU All-Union Conference. What answers will it provide at the present stage of restructuring and what tasks will it pose in further renewing socialism—those questions were answered by Mikhail Gorbachev, general secretary of the CPSU Central Committee, in his speech at the meeting with the leaders of the USSR mass media.

The preparations for this high party forum are taking place in an atmosphere of exceptional public activity. Even the election of the 5,000 delegates from all strata of USSR society is unusual. The practice of "manipulating" numbers and percentages by the party organizations has been eliminated—now all Communists must elect only representatives who have indeed proven that they are fierce supporters of renewal.

Naturally, the conference's principle task will be to draw up the balance of restructuring, analyze its achievements and shortcomings, and eliminate the phenomena and structures, which are holding it back. More importantly, it must create political, ideological, and organizational prerequisites, which must turn into a guarantee of the irreversibility of the process of renewal, and of its further development and strengthening under conditions of democracy and glasnost.

Life already shows that conservatism is the main obstacle along the road of renewal—conservatism in thinking, acting, and adhering to obsolete dogmatic stereotypes. Under the conditions of glasnost, the USSR mass media are conducting a decisive struggle against manifestations of conservatism, the adherents to conservative thinking and behaving, and those who oppose the revolutionary factors, who see every novelty as a threat to socialism. Simultaneously, the first Soviet leader warned against the danger of too hastily labeling people who cannot orient themselves in the new situation or who simply cannot work adequately under the new conditions, as conservatives and opponents of restructuring. Mikhail Gorbachev pointed out that the main factor now is to consolidate and unite the people in the name and the service of restructuring and not seek a confrontation.

The general secretary of the CPSU Central Committee also answered the question related to the elements of party work which are to be stressed now. In its essence, this answer revealed the meaning of the revolutionary renewal of socialism, namely, to do everything for the benefit of the people, to raise their material and intellectual situation, and their self-esteem. All manifestations of alienation, prompted by disinformation and the distortions of bureaucracy and the formalistic attitude must be eliminated without compromise. This can be done only along the road of further democracy and morally cleansing Soviet society with the most active participation of the people.

The role of the USSR mass media in the historical cause of renewal was assessed highly. Recalling Lenin's words that it is impossible to solve new problems with the old methods, Mikhail Gorbachev stressed that the mass media are called upon to help the people to master new forms, methods, and approaches. These must be sought and revealed everywhere—in the economy, the intellectual sphere, science, culture, and education.

Outlining the necessity of further developing criticism and glasnost in the press, the general secretary of the CPSU Central Committee stressed that the Soviet press must unflinchingly struggle against conservatism and everything that hinders the process of restructuring, and assert everything which serves restructuring, the country, and the people. The aim must be clear: All answers related to the goals of restructuring must be sought within the framework of the socialist election.

Kulikov Briefs Zhivkov on Pact Session Results

AU1305142588 Sofia BTA in English 1332 GMT 13 May 88

[Text] Sofia, May 13 (BTA)—Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, received the leaders of the delegations of the fraternal armies who took part in the session of the Warsaw Treaty Joint Armed Forces' Military Council, which was held here.

Marshal of the Soviet Union Viktor G. Kulikov, commander in chief of the Warsaw Treaty Member States' Joint Armed Forces, informed the Bulgarian party and state leader of the work of the session.

The meeting was attended by Army General Dobri Dzhurov, Politburo member of the CC of the BCP and Bulgaria's minister of national defense, and by Colonel General Velko Palin, head of "Social and National Security" Department at the CC of the BCP.

Aleksandrov Makes 'Working Visit' to Moscow

AU1505164888 Sofia BTA in English 1553 GMT 15 May 88

[Text] Moscow, May 15 (BTA)—At the invitation of the Central Committee of the CPSU, Mr Chudomir Aleksandrov, Politburo member and secretary of the CC of the BCP, paid a working visit to Moscow from May 13 through 15.

He conferred with Mr Georgiy Razumovskiy, alternate member of the Politburo and secretary of the CC of the CPSU. They exchanged views on questions concerning party organizational work and the ways for its further

improvement. Mr Georgiy Razumovskiy briefed the guest on the progress of restructuring in the Soviet Union and on the preparations for the 19th All-Union Conference of the CPSU.

During his stay in the Soviet capital, Mr Chudomir Aleksandrov attended a plenum of the Amalgamated Committee of the BCP in Moscow, after which he met with the party and Komsomol activists among the Bulgarian citizens working in the USSR.

Receives CPSU CC Working Group

AU1405201788 Sofia Domestic Service in Bulgarian 1930 GMT 14 May 88

[Text] In accordance with the plan for interparty cooperation, a working group from the CPSU Central Committee led by Vladimir (Babichev), deputy chief of the Organizational Party Work Department of the CPSU Central Committee, visited our country.

The CPSU representatives were received by Comrade Chudomir Aleksandrov, who briefed them on the work of the Bulgarian Communists and workers in fulfilling the decisions of the 13th BCP Congress and the BCP National Conference, implementing the party's July Concept for the Further Construction of the Socialist Society in Bulgaria, and increasing the leading role of the BCP under the conditions of restructuring and the democratization of society.

The Soviet visitors have departed for their homeland.

'Growing' Bulgarian-Albanian Trade Reviewed

AU1305184288 Sofia OTECHESTVEN FRONT in Bulgarian 11 May 88 p 3

[Dimitur Radkov article: "Mutual Interest in Cooperating"]

[Text] Whenever one travels in the fields around Tirana, or elsewhere in Albania, one inevitably notices the broad plots covered with polyethylene. I learned that it is being imported from Bulgaria and that it represents just a small part of the trade exchange between our countries.

I met Zdravko Aleksandrov, head of Bulgaria's trade representation in Albania, and his associates. The meeting took place in the modest 2-storey building of the Bulgarian trade representation in Tirana. During the conversation it became clear that the trade between Bulgaria and Albania is growing. The volume of imports and exports are constantly expanding. It will reach R72 million during the current year.

Our exports to Albania include machine building articles, motor-driven vehicles, electric-driven vehicles, electric hoists, excavating bulldozers, electrometers, and measuring devices. Our chemical industry production occupies a significant place in our exports. We are also exporting machines for the tobacco industry, for which there are very good conditions in Albania. There is a great interest in the Bulgarian experience in this sphere, primarily toward the technology of tobacco-processing and the production of cigarettes. This sphere offers good prospects for closer cooperation and therefore, meetings between specialists of the two countries have taken place in recent years.

Albania's exports to Bulgaria mainly include bitumen, sulphur, veneer, cement, textile, citrus fruits, and juices. The country disposes of much kaoline, bauxite, magnesite, quartz, and other raw materials, which are creating the conditions for successful cooperation at a higher level.

Metallurgy occupies an important place in this respect. For the time being trade in this area is limited to the exchange of ferrous and non-ferrous metals. We are importing copper cables and sections from Albania. I was convinced of the prospects for expanding cooperation in this sphere during my visit to the plant for copper cables in Shkoder. Muhamet Bajrami, deputy chief engineer, stressed that Bulgaria is 1 of 15 states to which his plant's output is being exported. The cable plant in Burgas is one of the main importers of the thick copper cables, produced by the Albanian plant. Close cooperation has been established between the two plants.

The Albanian side is interested in expanding this cooperation, and our country can be one of Albania's main foreign trade partners. In this context we discussed the prospects of expanding cooperation. Such prospects exist. They include cooperation in ore-mining, concentrating chrome ore, constructing plants for the food-processing and soft drinks industry, and so forth. There is a special opportunity to develop cooperation in agriculture. During my talks with Dionis Cakalli, director of the Georgi Dimitrov Agricultural Plant in Tirana, I became convinced that there are many common denominators, which create conditions of developing fruitful relations with the Bulgarian agro-industrial complexes. We could develop cooperation in fruit-growing, vine-growing, and vegetable production. It would be beneficial to develop contacts between the different scientific-research institutes in the area of agriculture, selection, and plant-protection. Many other directions of cooperation exist and they evoke mutual interest in expanding economic relations between the two socialist countries.

It has been envisaged to significantly increase trade by the end of 1990.

My talks in Albania reflected the mutual willingness to develop trade in a more efficient manner and expand it in the interest of our countries and nations. Therefore, the assurances which my interlocutors gave me, inspire optimism that we can expect better results in the near future.

FRG Green Party Delegation Visit Reported

AU1505184188 Sofia BTA in English
1734 GMT 15 May 88

[Text] Sofia, May 15 (BTA)—At the invitation of the National Council of the Fatherland Front, Ms Christa Wenegerts, spokeswoman for the parliamentary faction of the Green Party in the FRG, led a delegation of the parliamentary Green Party on a visit to this country from May 12 through 15.

The guests were received by the Secretary of the CC of the BCP Vasil Tsanov and conferred with senior officials of the Bulgarian Agrarian Party (BZNS), the Committee of the Movement of Bulgarian Women, the Nationwide Committee for Environmental Protection and the National Peace Committee.

The Greens' officials were familiarized with the restructuring in all spheres of life in Bulgaria and with the role of the public organizations for its realization. They told their hosts about their party's participation in the political life of the FRG and about its share in the work of the Bundestag.

The sides briefed each other on the environmental protection measures taken in the two countries. They considered some other humanitarian matters, too. They discussed the possibilities for wider contacts between the National Council of the Fatherland Front and the Greens Party in the FRG.

Macedonian Academy of Science Group Visits

AU1505185288 Sofia BTA in English
1738 GMT 15 May 88

["Research Cooperation" — BTA headline]

[Text] Sofia, May 15 (BTA)—At the invitation of the management of the Bulgarian Academy of Sciences, a delegation of the Macedonian Academy of Sciences and Arts, led by its president, Academician Jordan Pop Jordanov, visited this country. The visit, which was completed today, was intended to further contacts in various fields of knowledge and to create better conditions for scientific work.

The guests conferred with Academician Angel Balevski, president of the Bulgarian Academy of Sciences. They got familiar with the operation of some of the academy's institutes in Sofia and Plovdiv and visited the National Astronomical Laboratory on Mount Rozhen in the Rhodope Mountains.

The sides considered the opportunities for the exchange of visits by experts working in similar fields, for the exchange of experience and lecture courses. Particular interest was shown in the development of joint research work, in the joint elaboration of research projects.

Plovdiv International Fair Ends 15 May

AU1505185488 Sofia BTA in English
1743 GMT 15 May 88

[Text] Plovdiv, May 15 (BTA)—The International Fair of Consumer Goods and Technologies gives a good idea of the achievements and prospects of consumer goods production.

In Plovdiv, the Bulgarian manufacturers and tradesmen held more than 2,800 sessions with their foreign partners. Basically, the idea of the fair was to familiarize the partners from abroad with Bulgaria's new lines of products, with their quality and design. The venue took trade one step forward and helped shape new business relations.

The business negotiations focused on the widening of opportunities for joint industrial production and for the establishment of joint ventures. Bulgarian economic experts believe that the fair helped the economic organizations establish themselves as self-managing and self-financing units with wide-ranging rights to autonomous economic activity inside the country and abroad. The contracts signed by the corporations Mladost, Lesoimpex, Pharmachim, Chimimport and Electroimpex with a number of leading partners from all over the world come as evidence of this progressive change.

The Bulgarian participants in the fair numbered 10 associations, 185 economic organizations, combined works and institutes, 1,140 production units and 52 foreign trade and engineering companies. 55 per cent of the over 58,000 exhibits on show were novelties.

The foreign exhibitors comprised 1,526 companies from 11 socialist, 18 advanced capitalist and 16 developing countries.

The greatest number of contracts were concluded with companies from the Soviet Union, the GDR, Poland, Cuba and China among the socialist countries, the FRG, Switzerland and Italy among the Western participants, Yugoslavia and Greece among the Balkan entrants, and Lebanon, Syria and Egypt among the developing nations.

In value terms, the transactions made at the fair approximated 700 million foreign currency leva.

Leaders' Public Appearances 6-13 May

AU1505204588 [Editorial Report] Sofia Domestic Service in Bulgarian in its newcasts, the Sofia press, and BTA during the 7-13 May monitoring period report the following public appearances of Bulgarian leaders (sourceline of each report given in parentheses):

Todor Zhivkov, Yordan Yotov, and Georgi Yordanov attended a concert in Sofia's Lyudmila Zhivkova People's Palace of Culture on 6 May to celebrate Radio and Television Day. (Sofia RABOTNICHESKO DELO in Bulgarian 7 May 88 p 1)

Stanko Todorov, Andrey Lukanov, and Dimitur Stanishev attended a reception at the Czechoslovak Embassy in Sofia on the evening of 6 May to mark the forthcoming Czechoslovak National Day. (Sofia RABOTNICHESKO DELO in Bulgarian 7 May 88 p 2)

The following leaders attended a wreath-laying ceremony held at the Soviet Army Memorial in Sofia on 9 May to mark Victory Day: Dobri Dzhurov, Stanko Todorov, Dimitur Stoyanov, Nacho Papazov, and Dimitur Stanishev. (Sofia Domestic Service in Bulgarian 1730 GMT 9 May 88)

Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council, officially opened the Eighth Plovdiv International Spring Fair on 9 May (Sofia Domestic Service in Bulgarian 0630 GMT 9 May 88) and then toured the fair. (Sofia Domestic Service in Bulgarian 1500 GMT 9 May 88) In Sofia on 11 May he received Song Jian, member of the State Council and minister in charge of the PRC State Scientific and Technological Commission, (Sofia BTA in English 1743 GMT 11 May 88) and the departing Brazilian ambassador, Antonio Fantinato Netto. (Sofia RABOTNICHESKO DELO in Bulgarian 12 May 88 p 1) In Plovdiv on 12 May he took part in an expanded session of Plovdiv Oblast BCP Committee that adopted a program for setting up a regional complex for biotechnology and chemistry. (Sofia BTA in English 1616 GMT 12 May 88)

Georgi Atanasov, member of the BCP Central Committee Politburo and chairman of the Council of Ministers, also received the PRC's Song Jian in Sofia on 11 May. (Sofia BTA in English 1743 GMT 11 May 88)

Milko Balev, Politburo member and secretary of the BCP Central Committee, welcomed 'Ali Salim al-Bid, secretary general of the Yemeni Socialist Party, on his arrival at Sofia Airport on 12 May. (Sofia BTA in English 1551 GMT 12 May 88)

Army General Dobri Dzhurov, member of the BCP Central Committee Politburo and minister of national defense, attended a festive Victory Day anniversary meeting and concert in Sofia on the evening of 9 May. (Sofia Domestic Service in Bulgarian 1730 GMT 9 May 88) In Sofia on 11 May he made a speech of greeting at the opening of the session of the Warsaw Pact Military Council. (Sofia Domestic Service in Bulgarian 1730 GMT 11 May 88)

Grisha Filipov, Politburo member and secretary of the BCP Central Committee, attended the opening of the congress of the Bulgarian Red Cross in Sofia on 12 May. (Sofia Domestic Service in Bulgarian 0900 GMT 12 May 88)

Pencho Kubadinski, member of the BCP Central Committee and chairman of the Fatherland Front National Council, was received in Beijing on 7 May by Hu Qili, member of the Standing Committee of the Politburo and of the Secretariat of the Central Committee of the Communist Party of China. (Sofia BTA in English 1402 GMT 7 May 88) In Beijing on 9 May he held talks with Wang Renzhong and other leaders of the Chinese People's Political Consultative Conference. (Sofia OTECHESTVEN FRONT in Bulgarian 10 May 88 p 3)

Petur Mladenov, member of the BCP Central Committee Politburo and minister of foreign affairs, attended Zhivkov's reception of the departing Brazilian ambassador in Sofia on 11 May. (Sofia RABOTNICHESKO DELO in Bulgarian 12 May 88 p 1)

Stanko Todorov, member of the BCP Central Committee Politburo and chairman of the National Assembly, received in Sofia on 13 May Geriot Erler, member of the FRG Bundestag. (Sofia BTA in English 1342 GMT 13 May 88)

Andrey Lukanov, candidate member of the BCP Central Committee Politburo and minister of foreign economic relations, made a speech at the official opening by Zhivkov of the Plovdiv International Spring Fair on 9 May. (Sofia Domestic Service in Bulgarian 0630 GMT 9 May 88) At the Plovdiv Fair on 11 May he met with Jose de la Fuente, deputy minister of foreign trade of Cuba, 'Abd al-Qawi Muthanna Hadi, minister of housing and construction of the People's Democratic Republic of Yemen, and Ahmad 'Ali Muqbil, minister of agriculture and agrarian reform of the PDRY. (Sofia Domestic Service in Bulgarian 1730 GMT 11 May 88)

Grigor Stoichkov, candidate member of the BCP Central Committee Politburo, took part in a plenum session of the Lovech Oblast and Strazhitsa Municipality's BCP Committees and People's Councils held in Kamen, Strazhitsa Municipality, on 11 May. (Sofia Domestic Service in Bulgarian 1730 GMT 11 May 88) In Sofia on 13 May he received the leaders of the foreign delegations attending the Ninth Congress of the Bulgarian Red Cross. (Sofia Domestic Service in Bulgarian 1930 GMT 13 May 88)

Dimitur Stoyanov, candidate member of the BCP Central Committee Politburo and minister of internal affairs, attended in Sofia on 12 May a special meeting of the collegium of the Chief Prosecutor's Office called to review its work. (Sofia Domestic Service in Bulgarian 0900 GMT 12 May 88)

Dimitur Stanishev, secretary of the BCP Central Committee, also welcomed YSP Secretary General al-Bid on his arrival at Sofia Airport on 12 May. (Sofia BTA in English 1551 GMT 12 May 88)

Petur Mladenov, member of the BCP Central Committee Politburo and minister of foreign affairs, attended Zhivkov's reception of the departing Brazilian ambassador in Sofia on 11 May. (Sofia RABOTNICHESKO DELO in Bulgarian 12 May 88 p 1)

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Charter 77 Calls For Firing of Justice Minister

AU1605111588 Paris AFP in English
1108 GMT 16 May 88

[Text] Prague, May 16 (AFP)—The human rights group Charter 77 has called for the sacking of Czech Justice Minister Antonin Kaspar and the overhaul of the prison system following the death in jail last month of dissident Pavel Wonka.

In a communique published here Monday, spokesmen for Charter 77 also called for the immediate release of 14 political detainees.

Mr Wonka, a prominent dissident, died April 26 the age of 35. He had served a 21-month jail sentence on charges of incitement to rebellion after trying to run for parliament as an independent candidate, and was rearrested early in April for violating the terms of a house arrest order.

During his most recent imprisonment, Charter 77 tried to get him released on health grounds. It said he had suffered brain damage from beatings in August.

Charter 77 also called for the setting up of an independent commmission, which would include representatives of the International Red Cross, to check on prison medical facilities, and of another independent commission to recommend reforms to the prison system.

Regional, City CPCZ Conferences Begin

Jakes Attends in Prague

LD1405173988 Prague CTK in English
0855 GMT 14 May 88

[Text] Prague May 14 (CTK)—Regional and city party conferences started in 10 Czechoslovakia's regions, in Prague and Bratislava today, on the 67th anniversary of the foundation of the Czechoslovak Communist Party.

All the conferences are attended by delegations of the Czechoslovak Communist Party Central Committee. The delegation taking part in the Prague city conference is led by General Secretary of the Communist Party Milos Jakes. Other Presidium members head the delegations to the remaining regional and city party conferences.

The delegates review the fulfilment of the conclusions of the 17th Czechoslovak Communist Party Congress in the political, economic, cultural and other spheres of Czechoslovakia's social life. In the spirit of the seventh and ninth Central Committee sessions, they will discuss the topical tasks of the regional and city party organizations and their more resolute actions in restructuring, preparation for economic reforms, development of the socialist democracy and mobilization of the working people for the fulfilment of the 1988 plan and the whole Eighth Five-Year Plan.

The conferences will concentrate above all on the achievement of required changes in the contents, style and methods of the party work which should correspond with the growing claims on the activities of the territorial party organs in the solution of social development of Czechoslovakia.

The conferences will elect new regional and city party committees and control and audit commissions. They will also approve conclusions which set the main aims and tasks of the party organs and organizations and all Communists leading towards the ensurance of the conclusions of the 17th party congress and the seventh and ninth party Central Committee sessions in the regions, in Prague and Bratislava.

Jakes Addresses Conference

LD1405201688 Prague Domestic Service in Czech 1630 GMT 14 May 88

["Excerpt" of speech by CPCZ Central Committee General Secretary Milos Jakes at CPCZ conference in Prague on 14 May—recorded]

[Text] It can be said, overall, that the party meetings and conferences were more open and critical, and were seeking more emphatically new ways which would be effective in solving problems and in coping with new political, economic, and ideological tasks. They also made a number of proposals and comments on the work of central bodies, which the Presidium and the Secretariat of the Party Central Committee will analyze thoroughly. It looks as though it will be necessary more often to consult people working in material production and to make use of their experience and their critical findings.

As we emphasized at the Central Committee session, the party is the initiator of restructuring and therefore must be its guarantor too. This follows from its position as leading force in our society. Therefore, we emphasize so much the demand to fully activate the party ranks, to achieve a state of affairs in which all Communists learn and thoroughly and selflessly promote the plans for restructuring, and win over the widest strate of working people for their implementation, in which the unity of the party and peoples are reinforced further as it is necessary for the success of our common work. This is the chief part of our work today and the future authority and the growth of the party depend on it.

Our times put new, novel tasks before the city party organization, the implementation of which requires new energy and new attitudes. The report of the city party committee justly points out that a number of important problems which are of key importance for the life and work of the people of Prague are still open and unsolved, despite the fact that a number of resolutions of central and city bodies have been adopted on them. Our attention and the assistance of other regions must concentrate above all on these problems.

We consider the proposal to implement the general plan of socioeconomic advancement of the capital and of its economic structure to be a correct one. The plan—in its comprehensive concept—should help significantly also in solving the important problems mentioned in detail in the report delivered here, which are related to the environment, services, the housing situation, health care, tourism, and so on, as well as to the modernization of the production base of Prague. The drafting of a law on Prague, the capital of the federation, is equally desirable.

As was mentioned on a number of occasions, the main aim of all our actions is the care for people for the growth of their living and cultural standards. This is also the goal of the basic economic reforms and of the further advancement of socialist democracy in our society. The unity of words and deeds must be generally cared about. It is not enough only to adopt programs and resolutions. What is important is to implement them thoroughly. This request sounds self-evident.

Let us, however, consider our experience from the past. It is well known how many correct and good decisions were made, and as their implementation was not thorough enough, much has dwindled away. Things were often not brought to a successful conclusion. This is true of the work of central as well as lower bodies down to the level of enterprises, plants, and workplaces. Such a practice must be halted and it is above all up to our Communists to see to it. The activity of each of us, wherever he works, will be judged accordingly.

We are experienced enough to know that the new demands and also the accumulated problems cannot be tackled in the same old way without an intensive struggle for changes in thinking and practice, without a really novel approach to political, economic, social and foreign policy tasks, in short without adopting more effective forms and methods of work. We have stressed on a number of occasions that the implementation of economic reform cannot be separated from the fulfillment of the lasks of the plan this year and the overall designs of the Eighth 5-Year Plan. This is a joint process in which one thing influences the other. The results for the past 2 years of the 5-year plan cannot satisfy us. It is true there has been some improvement this year but mainly in the dynamism of the growth of production, that is in the implementation of quantitative indicators. It must be noticed that at a number of workplaces the plan has been reduced. In the first 2 years of the 5-year plan the deficit against the plan of the creation of the national revenue is, as has been said already, Kcs15 billion, and this shortage is necessarily reflected in the investment provision for the advancement of production and for the expansion of the range of goods on the home market and export goods.

The Party Central Committee is adamant that the advancement of the economy should aim at its overriding goal—its social character and the satisfaction of the needs of the people, and not production for its own sake. A number of measures aim at this. The amendments in social security provisions which are to come to force on 1 October 1988 form an important part of this. Their purpose is to reinforce the principle of reward according to merit. This is not cheap. Next year this will cost over Kcs4.5 billion and even more in subsequent years. In the future a gradual adoption of the level of pensions to the growth of earnings is envisaged, as well as solving the problems of pensions allocated in the past, as their level is still lagging behind the rest.

It is, however, necessary to realize that we must create the necessary funds for social policy from production. It is not possible to borrow money for it. These problems cannot be sweepingly associated with the impact of the current system of management or with the external objective influences. It is impossible to wait for their solution until the new economic mechanism will be operating. Its application on its own cannot solve the poblems immediately. Key importance for overcoming the current shortcomings and for the successful realization of restructuring attaches above all to an active approach by everybody, in particular leading cadres and also entire work collectives.

The speeding up of the pace of international socialist integration is an important factor in the successful realization of our social and economic intentions. It is in the best interest of our state and society that we share actively and with initiative in this process, and Prague has no small scope here. The conversations I had during the past few months with Comrade Gorbachev and other highest representatives of the fraternal countries of the European socialist countries indicated our identity of views on the questions of the development of all round cooperation with an emphasis on the application of new modern forms of mutual collaboration for the good of the nations of our countries and the common cause of socialism.

Similarly, one can point at reserves and shortcomings in a number of other sectors, the elimination of which depends primarily on discipline and accountability, on the improvement of the organization of work and supervision, the elimination of leveling out of remuneration, and egalitarianism which leads to mediocrity and which is frequently regarded as a gain of socialism.

These are important problems whose solution must be at the forefront of our attention. At the same time, it is necessary to learn better from the experiences of the best and to apply them in practice far more than hitherto.

Restructuring opens up broad scope for the young generation to assert their drive, talents, and knowledge, their natural attitude to scientific and technological progress, and their sense of innovation. This calls for the young people themselves to have an active approach to their

education, to form a responsible attitude to life and the values of socialism and to their socialist homeland. Of course, it is necessary that the adults set an example in this.

The education and preparation of the young generation must rank enduringly among the foremost tasks of the party. But this is not a departmental task, for it must also rank among the tasks of the National Front, the socialist state, the school, the family—simply the whole of society. Well-educated and capable young people must be entrusted with responsible posts to an ever great degree.

In connection with the tasks we are tackling, I would like to say a few words about the work of the national committees. It is a matter of ensuring that through them an ever broader number of citizens are included in the management and administration of public affairs to enable the national committees to make a better use of their growing powers and to discharge thoroughly their duties toward citizens in tackling their daily problems and worries. I know that this is not easy in Prague, that it is far easier in villages or small towns. But here, too, we have to seek our own specific paths. This activity is precisely an important aspect of the development of socialist democracy, which we do not understand merely as a means to galvanize people but also as an indivisible part of the socialist way of life, and the rights and position of people in our society.

Communists operating in the national committees must be at the forefront of the endeavor to eliminate all manifestations of bureacratism and formalism, of which there is no small number and of insensitive attitudes to the needs of people, and it is necessary to take care above all in the activity of the national committees' apparatus to ensure that it is the elected bodies, which have the decisive word in the tackling of issues, coupled with the active participation of people and with consulting them. It is also necessary to take care to promote social justice, observe socialist laws and give assistance to people who have been wronged.

In connection with the restructuring and the development of socialist democracy in our society, one has to mention one more thing. The issue is that of late both internal and external opponents of socialism have become noticeable active. They have been banking on problems and complications we are having to tackle today, and have been striving to set working people against the current party's policy. For this purpose they have been attempting to take advantage of the anniversaries that have fallen on the current year and in particular on the 20th anniversary of the events of 1968. The aim of their endeavors is to take advantage of the restructuring and the development of socialist democracy to destabilize the socialist system, form opposition forces, and generate political and social tension in our society.

Attacks against Czechoslovakia in the Western media, as well as in political circles, have been growing in intensity recently under the pretext of the alleged persecution of believers and clergy and the leaving vacant of some bishoprics. This campaign has been accompanied by attempts by certain circles of the Catholic Church hierarchy and in particular of secret church structures and various opposition elements to misuse politically the religious feeling of a section of our inhabitants.

It is above all Western ideological centers who are helping to organize opposition activity, and those involved make no secret of their intention gradually to neutralize politically the socialist countries and restore to central Europe the political structures that existed before World War II.

Restructuring constitutes a complicated ideological and political struggle in which we cannot overlook anything that would weaken our progress. This is why it is essential that all party organizations and bodies carefully monitor and analyze the political situation within the area where they operate, that they react sensitively to changes in the thinking and moods of people, that they conduct an active militant propaganda in the interest of winning over and mobilizing working people and citizens to have an active role in restructuring and democratization, so that they support restructuring and democratization, and that they lead them to creative work for the further development of our socialist society.

Comrades. We all realize that we can only carry out our plans and intentions under the conditions of peace. It is the logic of historical development that a comprehensive concrete program for ensuring peace and security for all nations has come out of the Soviet Union, out of the world of socialism composed of those countries which have forever rid themselves of the system of exploitation and which by the substance of their system express the innermost interests of working people.

People today are very conscious of the fact that a world military conflict conducted with nuclear means of mass destruction would be fatal for civilization.

The Soviet Union and the Warsaw Pact states have for that reason put forward realistic proposals for the liquidation of all weapons of mass destruction, including chemical weapons, and for a substantial reduction of conventional weapons, and in keeping with their solely defensive military doctrine they have thus shown the possibility that the security of states can be ensured at an ever lower level of military potential. In this we see the realistic way to put an end to the arms race, to bring about a radical change in the direction of disarmament, and to tackle other burning global problems of the present time.

In all fundamental issues we hold identical standpoints with other states of the socialist community, and it is toward strengthening security, confidence, and cooperation amongst nations, creating zones free of nuclear and chemical weapons in central Europe that our foreign political initiatives are directed. One has to single out the fact that Prague's broadly based activity with the cities with which it is twinned has also been making a contribution towards this. We see in all this our contribution to building a secure European home, the necessity of which Comrade Mikhail Gorbachev spoke with such persuasiveness during his visit to Prague last year.

Indra on Need for Restructuring

LD1505124088 Prague Domestic Service in Czech 2030 GMT 14 May 88

[Text] The first day's proceedings of the regional and city conferences of the CPCZ and the CPSL ended late this afternoon. The characteristic feature of the proceedings are open, critical, and sober assessment of the results achieved during the period since 17th party congress and a responsible attitude to ensuring the implementation of socially wide tasks in the regions and in Prague and Bratislava.

Alois Indra, member of the CPCZ Central Committee Presidium, spoke at the conference of Communists from the North Bohemian region. He said, among other things:

[Begin Indra recording] The strategic task of the present, and indeed of many future years, is restructuring. At issue here is not to master and learn a new phraseology but to understand its purpose and content, to understand that what is involved is a truly qualitatively new stage of our socialist revolution.

In the economy it is a radical change in planning and management that is at issue. A change which would not only make it possible but which would indeed directly force the economy to intensify production, in particular by making more effective use of the results of scientific and technological development.

Methods of planning and management are not the only matters that are at issue. There is a need for us to introduce order at all workplaces, to restore order, and to strengthen planning, technological, and civic discipline in general. What is our attitude to common ownership? How do we forestall emergency events in our country? I believe that the report submitted by the Regional Control and Auditing Commission said again—and I ask for how many times—that the majority of economic crimes have been exposed by external bodies while one's own supervisory bodies, one's own management bodies, even if they manage to detect such a thing—and it is of interest to note that with such extensive record-keeping and various statistics and so on that we do not seem to detect these things—try rather to cover things up than expose them.

So that, in the economy, the issue is that of instituting radical changes in planning and management while in the democratization of the life of the entire society, which is the second principal task conditioning our strategy, the issue is that of making use of the wisdom and abilities of all honest people, of enabling increased active participation of every man not only in carrying out the policy of our Communist Party, the National Front, and our state but also shaping and supervising it, but, to increase it genuinely and not by words, not in declarations but by creating factual conditions. The aim of our socialist revolution, that is, the aim of the restructuring is further to improve not only the material life of people but also their cultural life or, if you like, the spiritual one. Our aim is simply to increase the attractiveness of socialism because no one will free us of the duty to undertake that historic competition with the capitalist system in which it must be shown to which social system the future belongs.

In order to be successful in our course we are naturally intensifying and deepening the criticism of our main shortcomings. But this, comrades, is not as some people would like to present it, the burying of socialism. This is not proof that we are giving up the ideas to which we have dedicated our lives. Having a particular regard to the younger generation among our party's ranks we must not forget the experiences we acquired at the end of the sixties and for which we paid very dearly. We must state what is at issue because, frequently, those who only yesterday were dipping their brushes only in pink paint would today, to the contrary, like to paint everything black. I believe, and I am not employing any particular phrase when I stress precisely on the occasion of the anniversary of our party's foundation, that we can be justly proud of our party's policy, that we can be justly proud of the results of the work of our people, that the road along which our party has traveled during those 67 years has been a road which has been above all an honorable one; it has been above all a road of the service to the working class and our people. [end recording]

New Head Secretaries Elected

LD1505200188 Prague CTK in English 1825 GMT 15 May 88

[Text] Prague May 15 (CTK)—The regional and city conferences of the Communist Party of Czechoslovakia ended today in 10 of Czechoslovakia's regions, in Bratislava and Prague.

All the conferences were attended by delegations of the Czechoslovak Communist Party Central Committee. Head of a delegation to the Prague city conference was General Secretary of the party Milos Jakes.

Similarly as the annual meetings of the primary party organizations and the district conferences, the regional and city conferences again fully supported the strategic line of the 17th Congress of the Communist Party of

Czechoslovakia aimed at accelerating the socio-economic development. They confirmed that the conclusions of the seventh and ninth sessions of the party Central Committee on restructuring, basic economic reform and deepening of socialist democracy have a great support of the Communists and broad public and that they positively influence the development of the political, working and social initiative of the working people.

The discussions of the Communists were marked by an ideological and organizational unity of action and a responsible attitude to the ensurance of social tasks in all regions, Prague and Bratislava.

An analysis of the work of party organs and organizations showed that the party is becoming more aware of the necessity to achieve a turn in the contents, style and methods of the party activities as a decisive prerequisite for the realization of revolutionary changes in all spheres of social life.

The conferences stressed that it is necessary to increase the responsibility of party organs and organizations for the application of the leading role of the party, for the creation of a creative atmosphere which will help the primary party organizations gain a natural authority among the working people and citizens.

The delegates to the conferences concentrated above all on the solution of economic and social tasks in the interest of satisfying the needs of the people. Both the reports of the regional and city party organs, and the delegates who took the floor in the disucssion stressed the close connection between the efforts of the party organs, organizations and Communists in the realization of the economic reform and the fulfilment of the plan in 1988, of the whole Eighth Five-Year Plan and with the most effective use of the scientific and technological knowledge.

They pointed out that it is necessary to overcome the inertia of the old thinking, hesitation and various prejudices which impede the introduction of changes.

Delegates to the Prague city conference were addressed by General Secretary of the Czechoslovak Communist Party Milos Jakes. They appreciated his business-like and open speech. Other representatives of the party Central Committee conveyed to participants in the conferences comradely greetings of Czechoslovak representatives and stressed that both the reports of the regional and city party committees and the delegates who took the floor fully supported the party line and the procedure of the party Central Committee in the realization of the tasks aimed at accelerating the socio-economic development, economic and social restructuring and the deepening of socialist democracy. They appreciated the realistic assessment of successes and critical analysis of problems.

They concentrated on the topical questions of the activity of party organs and organizations in the conditions of restructuring. In this connection they stressed the responsibility of the Communists for a consistent support and realization of the intentions of restructuring and strengthening of the ties of the party and the people, necessary for a success of the revolutionary changes in Czechoslovakia.

The delegates dealt also with the increase of the level and effectiveness of the ideological, educational and mass political work, above all of economic propaganda and the struggle against hostile ideology. They stressed that a qualified, convincing and general explanation of economic and social restructuring must be the prior task, and underlined that the working people must share actively in its realization. They also pointed out that it is necessary to concentrate on the education of the young generation and its preparation for life.

In their discussions the delegates saw a close connection between significant tasks of the regional and city party organizations and the strengthening of cooperation with the Communist Party of the Soviet Union, Soviet people, fraternal parties and countries of the socialist community, with the deepening of the international division of labour, with the struggle for peace and progress. They voiced support for the Czechoslovak initiative submitted by the general secretary of the Czechoslovak Communist Party for the creation of a zone of confidence, cooperation and good neighbourly relations on the line dividing the Warsaw Treaty and NATO states.

The conferences elected new regional and city committees of the Czechoslovak and Slovak Communist Party, and the party Control and Audit Commissions. At 11 conferences these organs were elected by a secret vote.

They also approved resolutions elaborating the conclusions of the seventh and ninth sessions of the Czechoslovak Communist Party Central Committee for the conditions of the regional and city party organizations and setting tasks for the party organs and organizations and Communists in regions, Prague and Bratislava for the future period.

Following are names of the elected head secretaries of the regional and city party committees and of the Slovak Communist Party:

Miroslav Stepan—head secretary of the city committee of the Czechoslovak Communist Party in Prague

Josef Haman—head secretary of the Central Bohemian Regional Committee

Miroslav Slavik—head secretary of the South Bohemian Regional Committee

Josef Mevald—head secretary of the West Bohemian Regional Committee

Vaclav Sipek—head secretary of the North Bohemian Regional Committee

Otto Liska—head secretary of the East Bohemian Regional Committee

Vladimir Herman—head secretary of the South Moravian Regional Committee

Vaclav Vaclavik—head secretary of the North Moravian Regional Committee

Stefan Rybar—head secretary of the City Committee of the Slovak Communist party in Bratislava

Ondrej Saling—head secretary of the West Slovak Regional Committee of the Slovak Communist Party

Jan Gajdosik—head secretary of the Central Slovak Regional Committee of the Slovak Communist Party

Michal Spak—head secretary of the East Slovak Regional Committee of the Slovak Communist Party.

Jakes Discusses Issues With Soviet Envoy

LD1305210788 Prague Domestic Service in Czech 1630 GMT 13 May 88

[Text] Milos Jakes, general secretary of the CPCZ Central Committee, received in Prague today Viktor Lomakin, Soviet ambassador to Czechoslovakia, with whom he discussed some topical issues of Czechoslovak-Soviet cooperation.

Commentary on Shultz-Shevardnadze Meeting

LD1305221988 Prague Domestic Service in Czech 1630 GMT 13 May 88

[Jim Cebrovsky commentary]

[Text] If we had as much time as possible it would never be enough. I believe that these words uttered by the Soviet foreign minister captured completely the character of the talks in Geneva and underscored once again how rich the range of relations is between the Soviet Union and United States. At the same time, it shows how complicated these relations are, how full of contradictions they are, and how enormously numerous are the problems which beset both sides, against which the Rubik's Cube is child's play. Such is the character of Soviet-U.S. relations. Elements of misunderstanding and resulting mistrust are still apparent here—mistrust which acts as a brake on the development of mutual dialogue. This is the first lesson from the 26th meeting between Soviet and U.S. foreign ministers.

Another point is that it has not brought anything sensational or revolutionary which would alter dramatically the coming hours and months. Rather, it is possible to say that the talks have confirmed that intensive work is being done on what has already been started in the past, for instance on the treaty on the 50-percent reduction of offensive strategic weapons and the fact that the talks concerning chemical and conventional weapons or the limitation of nuclear tests have been given new impulses and ideas.

In Geneva there emerged a full-scale problem which in reality ought not have been a problem. I have in mind the ratification of the treaty on intermediate- and shorter-range missiles, signed in Washington. It would be illusory to believe that this treaty does not still have its staunch enemies and opponents, who, unable to prevent the signing of it, attempted to dynamite it by refusing to ratify the treaty, or at least devalue it. The Soviet Union, by going some way in Geneva to accommodate the demands made by the U.S. Senate, through an additional agreement supplementing the treaty signed in Washington, has provided a firmer basis to the hope that the contentious issues will disappear and that the Senate will finally ratify the treaty.

Judging from first reactions, this Soviet step has been appreciated in the world as a gesture of goodwill, as a proof that in complicated international and mutual relations the characteristic feature of Soviet policy is both adherence to principles and the ability to react flexibly. This is the third lesson from the meeting in Geneva, which was generally regarded as a start to the summit meeting between Mikhail Gorbachev and Ronald Reagan in Moscow in May. And thus, we are witnesses to attempts to judge the success or failure of the Moscow summit according to what was agreed in Geneva. Such a view seems to be rather precipitate and onesided. The May summit, and it is a good thing that both sides have agreed on this, is to provide strong impetus for progress in other areas of Soviet-U.S. dialogue. But, as the Soviet foreign minister said, it is not the end but an important stage toward a new treaty.

Thus, the 26th meeting between Eduard Shevardnadze and George Shultz has shown many things and explained many things as well as cast light on hitherto obscure contours of problems and issues. In brief, it has brought more light into the relations between the Soviet Union and the United States. Many things, however, still remain untouched; both sides differ on many things. There were a few things which could not be tackled because of lack of time. This, too, is a lesson from Geneva—the fourth one.

Strougal Continues Brazil Tour; Accords Signed

LD1405021188 Prague CTK in English 2012 GMT 13 May 88

[Text] Belo Horizonte, May 13 (CTK correspondent)—Czechoslovak Premier Lubomir Strougal left Sao Paulo for Belo Horizonte, the capital of the Minas Gerais state, on the fourth day of his official visit to Brazil today.

He was welcomed at the airport by the state's Governor Newton Cerdoso.

In the Governor's Palace, the Czechoslovak premier was present at the signing of a joint statement on cooperation in the economy, science and technology. The signatories of the document were Czechoslovak Foreign Trade Minister Jan Sterba and Governor Newton Cerdoso.

The two sides pledged to create conditions for improvement of cooperation between Czechoslovakia and Minas Gerais, to use new possibilities including joint ventures, compensation and other operations in goods exchange. The document lists the fields in which the two sides pledge to cooperate.

Also signed today in Belo Horizonte was a contract for the delivery of equipment for the Jaguara water power plant, and a protocol on intentions to extend the thermal power plant in Igarape. A contract is to be signed by the end of this year.

The power plant in Igarape with an output of 156 mw was supplied by Czechoslovakia in 1975. Now it is to be extended by another 125-mw unit.

Both agreements were signed by Governor Cerdoso, director-general of the Brazilian Cemig state firm, and Deputy Director-General of the Czechoslovak Skodaexport foreign trade corporation Jan Ricica.

Governor Newton Cerdoso gave a luncheon in honour of the Czechoslovak guest later in the day. Both representatives in their toasts appreciated the level of Czechoslovak-Brazilian relations, their tradition and prospects. They characterized the signed agreements as the first concrete example of the implementation of the intergovernmental agreement on economic cooperation signed in Brasilia on Thursday.

Arrives in Amazonas State

LD1405085688 Prague CTK in English
0655 GMT 14 May 88

[Text] Manaus May 14 (CTK correspondent)—Czechoslovak Premier Lubomir Strougal and other members of the government delegation will spend most of today, the fifth day of their visit to Brazil, in Manaus, the capital of Amazonas state.

The Czechoslovak guests will inspect cement works supplied by Czechoslovakia in the 1970's and be present at the signing ceremony of a protocol on cooperation between the Government of the Amazonas State and Czechoslovak enterprises in the delivery and installation of a diesel generating set for the program of the electrification of the Amazon Basin.

Lubomir Strougal came to Manaus from Belo Horizonte last night and was welcomed at the airport by representatives of the local government.

The premier and other members of the delegation met with the governor of Amazonas, Amazonin Mendes, for talks and a dinner which was also attended by government members, industrialists, enterpreneurs and other prominent officials of Amazonas.

Later today, Lubonmir Strougal leaves for the coastal city of Recife, the capital of the State of Pernambuco, the last leg of his official visit to Brazil.

Attends Cooperation Document Signing

LD1505205588 Prague CTK in English
1337 GMT 15 May 88

[Text] Manaus May 15 (CTK correspondent)—Czechoslovak Premier Lubomir Strougal attended here on Saturday the signing ceremony of a protocol on intentions of commerical and technical cooperation between the governments of Czechoslovakia and the Brazilian state of Amazonas.

The ceremony took place the fifth day of Lubomir Strougal's official visit to Brazil.

The protocol, signed by Czechslovak Foreign Trade Minister Jan Sterba and Amazonas Governor Amazonino Mendes, concerns the delivery of a number of diesel generating sets needed by the local government for its program of the electrification of the Amazon basin.

The document is basis for a possible conclusion of contracts worth tens of millions of dollars. Czechoslovakia seeks the contracts in a strong international competition, but the products of the CKD engineering plant in Hradec Kralove, east Bohemia, already serve well in Burma, Peru and Bolivia and are in a good position to win.

In a short speech during the ceremony, Lubomir Strougal said that he regarded the protocol as a continuation of the good relations between Czechoslovakia and Amazonas. Czechoslovak experts have built many plants in the region, the premier said and recalled that the famous Czech singer Ema Destoniva was singing in the Manaus opera at the beginning of this century.

Governor Amazoninho Mendes also spoke about Czechoslovak engineers and businessmen who have been coming to Amazonas for a long time. A new stage of Czechoslovak presence is beginning, Czechoslovakia will discover for the world this area which has so far been little known from the economic point of view.

Also yesterday, Lubomir Strougal visited a free economic zone, the largest in Latin America, near Manaus where Czechoslovak-supplied cement works went into operation in January 1986. The plant, which has its own harbour, turns out 1,400 tonnes of cement a day and thanks to West German filters does not pullute at all the nearby forests.

Last night, Lubomir Strougal left Manaus for Recife, the capital of the state of Pernambuco in north-east Brazil, where he will end his visit to this country.

In Recife, the premier will hold talks with the state's governor Miguel Arraes and ministers of his government. He is due to meet prominent industrialists of the north-east of Brazil, especially Joao Dos Santos who imports Czechoslovak cement works [as received].

Joint Communique on Visit Issued

LD1505201088 Prague CTK in English
1912 GMT 15 May 88

[Text] Recife May 15 (CTK correspondent)—Czechoslovak Premier Lubomir Strougal's visit to Brazil on the 70th anniversary of the two countries' diplomatic relations took place "in a frank and friendly atmosphere and showed the high degree of understanding achieved in bilateral relations as well as political will of both governments to promote cooperation between Brazil and Czechoslovakia".

This was stressed in a joint Czechoslovak-Brazilian communique issued today at the end of Lubomir Strougal's six-day visit to Brazil during which he held talks with President Jose Sarney and other Brazilian officials.

Lubomir Strougal and Jose Sarney agreed on the need to exert efforts for ever bigger development of relations in the economic, commercial, scientific, cultural and sport spheres.

Confirming the support of their governments for disarmament efforts, the two officials welcomed the conclusion of the Soviet-U.S. treaty to scrap medium- and shorter-range missiles which they expect to "pave the path to more far-reaching agreements in other spheres of disarmament. [no end quotes as received]

Lubomir Strougal and Jose Sarney stressed the need for an early conclusion of a convention banning the production, development and stockpiling of chemical weapons and providing for their destruction.

The two officials voiced the view that "the creation of nuclear-free zones as well as zones of peace and cooperation in various parts of the world would greatly help strengthen confidence and international security."

The communique went on to say that Lubomir Strougal and Jose Sarney emphasized their "support for the development of world-wide talks on the establishment of a new international economic order on permanent and equitable foundations".

As regards foreign debts, they said that the situation requires comprehensive solutions respecting national sovereignty and making possible the resumption of economic development of the debtor state.

Discussing regional conflicts, Lubomir Strougal and Jose Sarney agreed on the need to seek their peaceful solution on the basis of international law.

They appreciated the effort of the Contadora Group for peace in Central America.

They stressed their "absolute aversion to the hated system of apartheid and resolutely denounced the destabilizing policy of the South African Republic towards neighbouring independent states. [no end quotes as received]

Lubomir Strougal and Jose Sarney emphasized the urgent need to find a just, comprehensive and permanent solution of the Middle East conflict which would allow for a peaceful existence of all states in the region within internationally recognized borders, the communique said and added that they spoke in favour of an international conference on the Middle East under United Nations auspices and with the participation of all sides involved, including the Palestine Liberation Organization.

They expressed their concern over the conflict between Iran and Iraq and stressed the urgent need for its just and peaceful solution.

On behalf of Czechoslovak President Gustav Husak, Lubomir Strougal invited President Sarney to pay an official visit to Czechoslovakia. Jose Sarney accepted the invitation and the date of the visit will be negotiated through diplomatic channels, the communique concluded.

Before leaving Recife for home, Lubomir Strougal held talks with Miguel Arraes, governor of the Pernambuco state, and other members of his government.

The governor saw the Czechoslovak guests off at the airport.

Strougal Returns From Brazil

LD1605085288 Prague CTK in English
1912 GMT 15 may 88

[Text] Prague, May 16 (CTK)—Czechoslovak Premier Lubomir Strougal returned home this morning from Brazil to which he had paid a six-day official visit at the invitation of Brazilian President Jose Sarney.

The premier was welcomed at the airport by Federal Deputy Premier Rudolf Rohlicek and other officials.

PRC Health Minister, Delegation End Visit

LD1605091488 Prague CTK in English
0840 GMT 16 May 88

[Text] Prague May 16 (CTK)—A Chinese delegation led by Minister of Public Health Chen Minzhang, which was on a six-day working visit to Czechoslovakia, left here today.

The delegation visited health care facilities in the Czech and Slovak Socialist Republics and held talks with the leading representatives of this sector. The Chinese minister of public health and Czech Minister of Health and Social Affairs Jaroslav Prokopec signed an intergovernmental agreement on cooperation in health care and medicine.

Honecker Receives, Talks With Shevardnadze

LD1305124288 East Berlin ADN International Service in German 1112 GMT 13 May 88

[Text] Berlin, 13 May (ADN)—Erich Honecker, the general secretary of the SED Central Committee and chairman of the GDR Council of State, today received Eduard Shevardnadze, member of the Politburo of the CPSU Central Committee and USSR foreign minister.

The Soviet foreign minister conveyed to Erich Honecker the fraternal greetings of Mikhail Gorbachev, the general secretary of the CPSU Central Committee. On behalf of Mikhail Gorbachev, he briefed Erich Honecker about the preparation for the Soviet-U.S. summit meeting, in particular about the results of his talks in Geneva with George Shultz, the U.S. secretary of state.

Eduard Shevardnadze said that progress and substantial results can be achieved in all the areas to be discussed at the Moscow meeting. They supported the aim of halving the strategic offensive weapons of the USSR and the United States, as has been agreed upon in principle. Intensive work is being carried out on the relevant treaty. The USSR party and state leadership was aware that results which will lend new impetus to the process of disarmament and detente were expected of the Moscow summit meeting. The Soviet Union was doing everything to find answers to important questions which concern all mankind in the talks between Mikhail Gorbachev and Ronald Reagan, and to contribute to an improvement of the world situation as a whole through constructive development of bilateral relations between the USSR and the United States.

Erich Honecker thanked him for Mikhail Gorbachev's greetings and reciprocated them very cordially. He was satisfied with Eduard Shevardnadze's remarks and agreed with them. The GDR fully and completely supported the USSR's position. The USSR also had the unreserved mandate of the GDR and all its citizens in everything which advanced peace and disarmament. Erich Honecker praised the USSR's steadfast efforts in the sphere of nuclear disarmament and asked Soviet Foreign Minister Eduard Shevardnadze to convey to Mikhail Gorbachev his best wishes for the greatest possible success in the talks with the president of the United States.

Erich Honecker and his guest paid tribute to the good bilateral relations between the GDR and USSR. The general secretary of the SED Central Committee and chairman of the GDR State Council stressed that friendship between the GDR and the USSR had developed into an indestructible foundation which has been, is, and will remain the prerequisite for and guarantee of the successful development of an advanced socialist society in our country.

Present at the meeting, which took place in a cordial atmosphere, were GDR Foreign Minister Oskar Fischer and the Soviet ambassador to the GDR, Vyacheslav Kochemasov.

Further on USSR Defense Minister Visit

Kessler Speaks to Regiment

AU1605101888 East Berlin NEUES DEUTSCHLAND in German 12 May 88 p 3, 4

[Speech by GDR Defense Minister Army General Heinz Kessler at a meeting of friendship and comradeship-in-arms in the Rudolf Renner Regiment of the Heinz Hoffmann Division in Neubrandenburg Bezirk on 11 May: "We Intensify the Struggle To Safeguard Peace With Great Vigilance"]

[Text] Dear Comrades:

Today we welcome very cordially the official USSR military delegation headed by Comrade Army General Dmitriy Yazov, candidate member of the CPSU Central Committee and USSR defense minister, here in the Rudolf Renner Motorized Infantry Regiment!

A few days ago, we commemorated the 43d anniversary of the historic victory of the Soviet people and their allies over fascist German imperialism. It was the anniversary of the day which brought the liberation from the criminal regime of Hitlerite fascism to our people also, the day which opened up the prospects of peaceful development and democratic reconstruction to the people of Europe.

Our minds and our hearts will never forget the heroic deeds of the peoples of the Soviet Union and their armed forces, who threw themselves in the way of the fascist armies in a fight to the death and defended their socialist homeland under the leadership of their party. As Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee, said at the festive event on the 70th anniversary of the Great October Socialist Revolution, "the Soviet people did not stagger and bow, neither under the blows of the first failures and defeats, nor under the burden of the millions of dead, of pain and misery. From the first day of the war onwards, they firmly believed in their future victory. In the soldier's uniform and in the worker's clothes they did everything humanly possible and some things that went beyond man's power to bring this long-desired day nearer. And when, on the 1,418th day of the war, victory finally came, the liberated world breathed freely and with relief and paid tribute to the victorious Soviet people, the heroes and the workers, and their valiant army, who had fought for thousands of kilometers, each of which cost many lives, much blood, and sweat."

To Learn Lessons From the Past, Thoroughly and For Ever [subhead]

The victory of the Soviet people in the Great Patriotic War and our people's liberation from Hitlerite fascism provided the German workers and peasants, craftsmen, and intellectuals with the great chance to build a new,

democratic Germany, "to learn lessons from the past, thoroughly and for ever," in the words of the historic appeal of the KPD Central Committee on 11 June 1945.

We have made good use of this opportunity. Here, on our soil, German imperialism and militarism, fascism and racism, warmongering and chauvinism have been totally eradicated root and branch. Here the antifascist-democratic revolution has been led to victory under peaceful conditions and by incorporating all classes and strata of the working people, including many former entrepreneurs and big farmers, and a state and social order based on true solidarity, comradely cooperation, and mutual trust has been built. The towns and factories, the bridges and monuments have been resurrected from the ruins of war, and new edifices and residential settlements have sprouted all over the country.

Every one of you here in this hall has been able to acquaint himself from his earliest youth with the achievements reached by the working people, who have freed themselves from exploitation of man by man, under the leadership of their Marxist-Leninist party and in alliance with all friendly political parties and mass organizations, and with the prospects of a secure life and professional development for each individual in the socialist society—even though not everything has always been pure bliss and joy everywhere.

And you all, dear comrades, here in this hall, at the side of our Soviet comrades-in-arms, the fraternal armies, and the other protective and security organs of the GDR, have a personal share in the fact that the fruits of these decades of building can ripen further, that bombs and grenades do not again put fire to our cities, do not again destroy our bridges, that our people live and work in peace, and that our children can learn and play.

You, esteemed Comrade Minister Yazov, and the other leading generals and admirals of the Soviet Army and Navy have come to us in this May of 1988 to see for yourselves on the spot:

—how the soldiers of the socialist German state have understood their historic mission to insure that under no circumstances would war be allowed to emanate from German soil ever again;

—and how they manage to reliably protect peace and socialism in the heart of Europe at the side of our Soviet comrades-in-arms and the other armies of our defense alliance.

Your visit here, dear Soviet Comrades, will doubtlessly contribute to deepening the decade-long close and varied relations between the people and armies of our two countries. But, in addition, it is given particular weight by its timing.

Comrade Erich Honecker recently called the year 1988 a "decisive year ... from various points of view." Indeed, events of historical importance are taking place in these days, and new ones will mature.

The basically new approach of the Soviet Union and our community of socialist states to the extremely important processes of arms limitation, disarmament, and the safeguarding of international security in the nuclear-space age has already led to first successes.

As you, esteemed Comrade Minister Yazov, pointed out a few days ago, the fact alone that the intermediate-range missile treaty with the United States was signed proves that the prospects for a world free of nuclear weapons and threats of destruction are gaining shape.

To Free the People From the Danger of a Nuclear Inferno [subhead]

How serious we are in our efforts to free the people as far and as quickly as possible from the danger of a nuclear inferno and the oppressive burden of increasingly costly armaments, and to use the resources saved in this way to improve the lives of the working people in town and countryside, is something we all experienced only a few weeks ago when the Soviet operational-tactical missiles were withdrawn prematurely from their base in Waren.

Meanwhile, as you know, the destruction of these missiles has begun. Their transport vehicles are being converted into mobile cranes, and the former accommodation buildings are being converted into an FDGB vacation home.

The same consistency with which the Soviet Union and the GDR began the implementation of the Soviet-U.S. intermediate-range missiles treaty even before its ratification will continue after it comes into force: It will be implemented point for point, without any ifs and buts, and our state will fulfill with great circumspection and care its obligations under the agreement.

As is well known, in the NATO area things are not yet so explicit. Therefore, when asked by journalists whether consideration is being given to using the missile sites in Mutlangen or Wueschheim for peaceful purposes, similar to what is being done in the GDR, the FRG Defense Ministry in Bonn said that military "follow-up use" of these objects is indispensable.

Already since the beginning of the year the NATO bodies have been examining the most varied armaments programs to "compensate" for the dismantling of the U.S. ground-based intermediate-range missiles in Western Europe and to maintain possibilities for strategic influence deep into the hinterland of the Warsaw Pact.

This does not suprise us at all. After all, we know the military forces in the NATO staffs, who "do not like the entire development." But these actions, which are totally

contrary to the spirit and letter of the Soviet-U.S. treaty and, in particular, to the vital interests of the people, admonish us to stay vigilant and to intensify our efforts in the struggle to safeguard peace.

The supporters of the nuclear "deterrence" strategy in NATO continue to have considerable influence. Yes, ignoring the will of the masses, they still have a decisive influence on the military thinking and the specific military actions in NATO.

"Modernization is under way," said the U.S. secretary of defense a few days ago and listed the following things, and, I quote: "At present we are renewing our nuclear combat planes and our nuclear artillery. Together with the British, we plan an aircraft missile that is capable of hitting ground targets at longer distances. The decision that there must be a replacement for the Lance missiles has long ago been made." This was said by Mr Caspar Weinberger's successor.

NATO Strategy Still Aimed at Superiority [subhead]

And in the West European NATO area "modernization is under way" too, as they call it. In the FRG Bundeswehr, too, the direction is toward an improvement in attack capability, toward more and increasingly more accurate means for sudden strikes at targets in the entire area of our defense.

Dear comrades, as long as the aim of military strategy, of equipment, and training of the main NATO powers is "deterrence" and military superiority, our defense alliance must and will counter the NATO armies with such forces and means as are sufficient not to give rise to speculations of revanchist circles about a surprise attack and to prevent them from dangerous adventures.

The decisive criterion for that which is described in our military doctrine as "adequate defense capacity" or "reasonable sufficiency":

—is and remains our clear determination to give reliable military protection under all circumstances to peace and socialism;

—is and remains the masterly control of weapons and all other technical combat means visible to everyone.

It is the main function of the socialist armed forces and of each of its members—no matter whether he does his duty as a soldier or noncommissioned officer, as a warrant officer, officer, or general, in uniform or in civilian clothes—to guarantee this under any conditions in the struggle to safeguard peace.

I think that today and tomorrow our Soviet guests will be able to convince themselves clearly that this internal connection, this interrelation between the successful, peace-loving foreign policy of the socialist community and its defense readiness, its defense capability, is correctly understood by the members of the National People's Army, and also by the members of the Heinz Hoffmann Tank Division and its Rudolf Renner Motorized Infantry Regiment, and expresses itself in corresponding military performance.

Comradeship-in-Arms Practiced in Life [subhead]

Your regiment has long maintained close relations with the Soviet Motorized Infantry Regiment in Ravensbrueck. The members of the two partner troop units have become closer to one another through many joint measures of combat training, exchange of experience, comparisons of performance, and not least, sports and games. Links with the comrades of the "regiment next door" have been, are, and remain an important guarantee of the high fighting strength and combat readiness of our National People's Army. With this German-Soviet friendship and comradeship-in-arms, which you practice in life, dear comrades, you are also acting in the spirit of the man whose name your regiment bears, the communist Rudolf Renner. Born in the Saxon worker's town of Chemnitz, today's Karl-Marx-Stadt, he followed his way as a steadfast worker's functionary, until the Nazi henchmen tortured him to death in the Buchenwald concentration camp. His life was characterized by inseparable links with the Soviet power, with the Russian workers, and with their Communist Party.

Dear Comrades, our meeting today will without doubt go down in the history of the Rudolf Renner Motorized Infantry Regiment and the Heinz Hoffmann Tank Division as an outstanding event in the consolidation of the class and military alliance between our National People's Army and the Soviet Armed Forces.

I would like to take this opportunity to assure Comrade Army General Yazov, USSR defense minister, and his entourage that the members of the National People's Army of the GDR will continue to do their utmost to strengthen socialism and secure a constantly high combat readiness, and to consolidate the steadfast comradeship-in-arms with the Soviet Army in the defense of peace and the achievements of our allied people here in the heart of Europe!

We wish our Soviet fighting comrades and comrades-in-arms new, great successes in the implementation of the decisions of the 27th CPSU Congress and the forthcoming 19th All-Union Conference of the CPSU!

We wish our two countries new successes in the further shaping and perfection of the developed socialist society under the purposeful leadership of our Marxist-Leninist parties, for the benefit of all working people!

Long live German-Soviet friendship and comradeship-in-arms between the Soviet Army and the National People's Army!

Dear Comrade Minister Yazov! As an expression of our militant alliance and as a sign that the soldiers of the socialist German state feel deeply linked with our revolutionary traditions, I am pleased to present to you a bust

'of our unforgotten Ernst Thaelmann, the German communist and internationalist!

Final Talks With Kessler

LD1305162888 East Berlin ADN International Service in German 1306 GMT 13 May 88

[Text] Berlin, 13 May (ADN)—At the end of a visit to the GDR by a USSR military delegation, Army General Heinz Kessler, member of the SED Central Committee Politburo and minister of national defense, today met with Army General Dmitriy Yazov, candidate member of the CPSU Central Committee Politburo and USSR minister of defense, for friendly talks.

At the meeting, which took place in a cordial atmosphere at the ministry of defense, both sides described the visit by the USSR delegation as a further contribution to the deepening of the steadfast class and military alliance between the Soviet Army and the National People's Army [NVA]. Numerous meetings and talks with soldiers and workers have again demonstrated the friendship between the peoples of the USSR and the GDR.

Army General Heinz Kessler acknowledged in this connection the comprehensive fraternal cooperation between the armed forces of the two countries in the interest of the collective protection of peace and socialism—cooperation which has reached a high level and which is constantly developing. Army General Dmitriy Yazov thanked him for the hospitality. He affirmed that the USSR and its armed forces, together with its brother countries, will continue to fulfill its internationalist mission. This consists of preventing war and protecting mankind from a nuclear catastrophe. On behalf of the GDR Council of Ministers the members of the military delegation were presented with a combat medal for services to the people and fatherland and with the meritorious medal of the NVA.

Personnel of the Ministry of Defense and Dr Herbert Krolikowski, state secretary and first deputy minister of foreign affairs, took part in the talks. Also present were Aleksey Lizichev, head of the Main Political Directorate of the Soviet Army and Navy; USSR Deputy Defense Minister Marshal of Aviation Aleksandr Yefimov; and Army General Vitaliy Shabanov; and Col Gen Vladimir Meretskov, representative of the commander-in-chief of the Warsaw Pact Joint Forces in the NVA. On the same day the delegation visited a unit of the Hermann Duncker anti-aircraft missile unit. It was welcomed by Col Gen Wolfgang Reinhold, deputy minister of defense and head of the Air Force and Air Defense Command. The USSR and GDR defense ministers saw for themselves the high political consciousness and military expertise of the soldiers in fulfilling their peace-keeping task.

The military delegation was cordially bidden farewell this afternoon at the Berlin-Schoenefeld Airport by GDR Defense Minister Army General Heinz Kessler. Those present included Army General Boris Snetkov, commander-in-chief of the Group of Soviet Forces in Germany; Col Gen Nikolay Moiseyev, member of the Military Council and chief of the group Political Directorate; and other figures.

Egon Krenz Meets USSR Prosecutor General

AU1305165388 East Berlin NEUES DEUTSCHLAND in German 11 May 88 p 2

[Text] East Berlin (ADN)—On Tuesday [10 May] Egon Krenz, member of the Politburo and secretary of the SED Central Committee, received USSR Prosecutor General Aleksandr Rekunkov, who is staying in the GDR for an exchange of experiences at the invitation of the GDR general prosecuting attorney.

The interlocutors paid tribute to the development of the friendship and cooperation between the USSR and the GDR taking place on the basis of the talks between Erich Honecker, general secretary of the SED Central Committee, and Mikhail Gorbachev, general secretary of the CPSU Central Committee. They stressed that, in this spirit, the traditional cooperation between the prosecutor's offices of the two countries is contributing to strengthening socialism and to deepening state and social relations.

Egon Krenz briefed his Soviet guest on the tasks in further shaping the developed socialist society in the GDR in line with the decisions of the 11th SED Congress. Egon Krenz called for the meeting for nuclear-free zones, which will be convened in Berlin in June, and the broad international response to this GDR initiative, an expression of the worldwide peace offensive of socialism, in which the GDR is participating in an active and constructive way.

Aleksandr Rekunkov reported on experiences in implementing the decisions of the 27th CPSU Congress and pointed out the efforts to further consistently implement socialist legality in the USSR.

The meeting was attended by GDR General Prosecuting Attorney Guenter Wendland and Klaus Sorgenicht, director of the SED Central Committee State and Legal Matters Department.

PRC Trade Union Leader Continues Visit

Tisch, Ni Zhifu Statement

LD1505141888 East Berlin ADN International Service in German 1219 GMT 15 May 88

[Text] Berlin, 15 May (ADN)—The constantly deepening friendly relations between the GDR and China are opening up a still broader perspective for relations between the two countries' trade unions. This was stressed in Berlin today by Harry Tisch, member of the SED Central Committee Politburo and chairman of the FDGB National Executive, and by Ni Zhifu, member of the CPC Central Committee, vice chairman of the Chinese National People's Congress Standing Committee, and chairman of the All-China Federation of Trade Unions [ACFTU].

The two sides stressed that new conditions had arisen for the unions in the global struggle for nuclear disarmament through the Soviet-U.S. missile treaty. It is now a matter of continuing the union struggle more strongly so that opportunities for maintaining peace are used. The two sides described the calling of an international meeting for nuclear weapons-free zones in Berlin as a valuable contribution to dialogue on the practical issues of disarmament.

The two sides stressed during the meeting that the visit to the GDR by the Chinese trade unionists is an important contribution to deepening the friendly relations between the ACFTU and the FDGB, which has existed for a long time, and which has created new possibilities for comprehensive and fruitful cooperation between the two organizations. The FDGB and ACFTU spoke in favor of a stronger continuation of the intensive exchange of opinions and experience.

Ni Zhifu Speaks on TV

LD1505201988 East Berlin ADN International Service in German 1910 GMT 15 May 88

[Text] Berlin, 15 May (ADN)—The exchange of opinions with Erich Honecker had been constructive. The chairman of the All-China Federation of Trade Unions (ACFTU), Ni Zhifu, declared this to GDR television regarding his impressions of his stay in the GDR. He has seen for himself, in enterprises and establishments in differing bezirke of the GDR, how the unity of economic and social policy, which is closely linked with the name of the GDR head of state, is realized in practice.

Honecker Receives Iraqi Foreign Minister

LD1605094088 East Berlin ADN International Service in German 0912 GMT 16 May 88

[Text] Berlin, 16 May (ADN)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, this morning received Iraq's deputy prime minister and minister of foreign affairs, Tariq 'Aziz, for talks at the Council of State building in Berlin. Afterwards the two foreign ministers had a first exchange of thoughts on topical questions relating to international relations and on the further shaping of bilateral cooperation.

Tanzanian Prime Minister Wraps Up Visit

Meets With Stoph

LD1305192788 East Berlin ADN International Service in German 1009 GMT 13 May 88

[Text] Berlin, 13 May (ADN)—Willi Stoph, chairman of the GDR Council of Ministers, and Joseph Sinde Warioba, prime minister and first vice chairman of the United Republic of Tanzania, continued their official talks this morning in the company of public figures of both countries. They received reports from negotiations between members of the official entourage. An official press announcement will be agreed upon as a result of the successfully concluded talks.

Departs 13 May

LD1305193288 East Berlin ADN International Service in German 1526 GMT 13 May 88

[Text] Berlin, 13 May (ADN)—Joseph Sinde Warioba, prime minister and first vice president of the United Republic of Tanzania, today ended his 4-day official visit to the GDR. He was cordially bidden farewell at the Berlin-Schoenefeld Airport by Willi Stoph, chairman of the GDR Council of Ministers, and by other public figures.

Sieber Meets Swiss Labor Party Delegation

LD1505220688 East Berlin ADN International Service in German 1853 GMT 15 May 88

[Text] Berlin, 15 May (ADN)—A delegation of the Swiss Labor Party under the leadership of its general secretary, Jean Spielmann, arrived on Sunday for a visit to the GDR. It is taking up the invitation of Erich Honecker, general secretary of the SED Central Committee.

The guest and his entourage, including Rudi Bantle, member of the Politburo of the party Central Committee, were warmly welcomed at the Berlin-Schoenefeld Airport by Guenther Sieber, member of the SED Central Committee and director of the International Relations Department.

Honecker Greets French Premier on Appointment

AU1305165488 East Berlin NEUES DEUTSCHLAND in German 12 May 88 p 1

[ND report: "Congratulations to French Prime Minister"]

[Text] East Berlin—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, has sent the following telegram to Michel Rocard, prime minister of the French Republic:

I convey to you my most cordial congratulations on your appointment as prime minister of the French Republic.

I am pleased to use this opportunity to express my conviction that the beneficial development of relations between the GDR and the French Republic will further deepen for the benefit of our peoples and in the interest of peace on our continent.

I wish you success, good health, and well-being in fulfilling your responsible tasks in the work for a peaceful future of the French people.

Erich Honecker,

General secretary of the SED Central Committee and chairman of the GDR State Council.

National Conference To Examine Party Role

LD1305185288 Budapest Domestic Service in Hungarian 1630 GMT 13 May 88

[Text] According to Gyoergy Fejti, secretary of the Central Committee, the standpoint of the national party conference will be of similar significance to the decisions of the sixties, which laid the foundations for the New Economic Mechanism. Gyoergy Fejti spoke to students at Budapest Technical University on the planned standpoint, which deals with the development of the Hungarian system of political institutions.

Change is vital because the main elements of the current system of political institutions have been unquestioned since the end of the forties. The Central Committee secretary, a former student at the university, said that the relationship between the party and the state, between the state and the mass organizations, and also between the state and the citizens, must be rethought. The party must concentrate on strategic decisions. A structure must be formed in which the governing organs exert their activity not on behalf of the people, but by the people. The role of the state must be reformed on the basis of extensive social debate. The results of transformation depend to a large extent on whether there is success in eliminating over-regulation. Altogether, what is prohibited should be stipulated, and this must then be consistently observed.

In connection with this, a growing role awaits judicial authority, the organs of people's representation, parliament, and other collective organizations representing interests.

For all this, a review of the Constitution and an expansion of some of its provisions is necessary, Gyoergy Fejti, Central Committee secretary, said.

Scientific Workers Trade Union Established

LD1405132088 Budapest Domestic Service in Hungarian 1000 GMT 14 May 88

[Text] In our country, 70,000 scientific workers are members of 16 branch unions. Or this is how things have been up to now, and we have been able to talk about many things, but not the fact that the trade union unites scientists and researchers. The untenability of this situation has been recognized by the trade union movement. Laszlo Elek reports:

For the first time in 40 years, a new trade union is being established in Hungary. The Democratic Trade Union of Scientific Workers has convened its inaugural assembly at the great hall of ELTE [Lorand Eotvos University of Science], but those arriving this morning were directed to the nearby Metro Club because the university's rector withdrew the dean's permission to use the facilities.

In the founding membership, one can find representatives of social, natural, and technical sciences, people working in higher education and at research institutes, laboratory technicians, science organizers, administrators, as well as freelance, retired, and unemployed researchers.

Their proclaimed aim is to campaign for a guarantee of a more broadly interpreted subsistence, to improve their living conditions and campaign for the right to work. They wish to campaign for the consistent assertion of a science policy that keeps their common interests in sight, for the elimination of restrictions that are affecting science and education.

The trade union wishes to represent the interests of those working in the scientific domain, but anyone who accepts the statutes, makes an entry declaration, and pays the subscriptions can be a member.

The founding assembly proclaimed that the Democratic Trade Union of Scientific Workers wishes to operate in the spirit of the Constitution of the Hungarian People's Republic and of international documents enacting trade union rights.

Nemeth Discusses Draft Company Law

LD1605003088 Budapest Television Service in Hungarian 1700 GMT 15 May 88

["The Week" program]

[Text] This week, the Central Committee discussed the draft of the new company law, which will be put before the National Assembly in the near future. Many people see this law as a springboard for the development of management of the socialist economy, and expect it to make state, cooperative, and private capital, and even foreign capital, operate significantly more rationally in Hungary than it previously has. The law allows the creation of different types of enterprises, such as joint incomes companies [koezkereseti tarsasag]. It also permits revival of such venerable forms as deposit companies, joint stock companies, limited companies, joint enterprises, and associations.

One or two of these are familiar today, while the rest will be remembered by older people. Obviously, this sort of thing raises a lot of delicate questions, and not just economic questions. For this reason, we consider the role of openness particularly important now.

At the aforementioned meeting, Miklos Nemeth, Central Committee secretary, was the speaker. We thought it was best, and most authentic, if we asked him to provide some information.

[Unidentified correspondent] We have so many worries, obviously very many people pose the question: Why has the preparation of such a draft law become timely right now?

[Nemeth] Well, there are a lot of reasons for this, but perhaps I could cite the most important. Despite the reform steps taken since 1968, we cannot say that the Hungarian economy, and within this, social property, is operating at a level of efficiency that would suffice, would create enough sources, for our aims regarding living standards and economic development.

In other words, we have not yet found the forms, or systems of forms, in which cooperative, state, and I add, private property, could operate with satisfactory efficiency.

As regards 1968, the Central Committee resolution of 1966 envisaged that not long after the creation of the goods market, the money market, capital market, labor market, and so on, which would supplement this, would be necessary.

Unfortunately, we cannot say that even today, even though the economy and production, from research through production right up to selling, represents a unified whole.

And if something is a unified whole, then we should think in a complex manner, and this endeavor guided those who created and worked out the law: that the conditions are ripe for the development of a new, modern company law, which corresponds to today's demands.

[Correspondent] And is there not the danger that some people will say that this is opening a way for something that is alien to us. To speak plainly, our generation was still raised with the picture of socialism that state property, perhaps with cooperative property alongside it, is the essence, and everything else is perhaps either secondary, or from the outset alien.

[Nemeth] Without doubt, the new organizational forms proposed in the company law were also familiar in prewar Hungary, and this can be said even more so about international economic life. I could almost say that in the majority of countries in the world, the enterpreneurs are working in these six forms, or in one of these six forms.

However, the similarity of the form does not necessarily mean a similarity of content. It is our conviction—and for this we argued and will argue much between ourselves—that the various known kinds can be filled with a socialist content, can be operated in such a way that they serve the aims of the socialist economy. Our greatest worry is that the money, the work force, the capital, the tools, are not operating today in those areas of the economy where they could bring us the greatest profit. Without doubt we have sources of loss; we produce at an expensive rate, often we sell at a loss on the foreign market, at home we subsidize products due to our standard of living policy, or for other reasons. But as a whole, the resources at our disposal work with very low efficiency. The reason for this, its root, lies somewhere in the fact that in our economy ownership awareness, or to put it in another way, proprietorial binding and feeling, has not yet been created. This would mean better work from the simple worker, and on the basis of his better work, more production—and more wages for more production. We could operate this as a logical and very significant chain of interest. These are missing today.

[Correspondent] The big question here is whether the notion that "the factory is mine" has been well-thought out ideologically?

[Nemeth] Well, this notion in truth started out from the one-sided precept in the development of the postwar socialist countries that the most efficient form of property is state property; one rank below this is cooperative property; and behind this, personal or private property, is something bad that is merely tolerated. This conception was coupled with another notion, which I would summarize briefly thus: large works equal efficiency and rationality.

Life has not proved these hypotheses. So, I would respond, in brief, to your question: Let us take seriously, all of us, that an ideology that restricts or hinders efficiency in the economy is not good. We can trust here that those legal guarantees that hinder individuals from becoming shareholders to such a great extent, say in a socialist enterprise, would endanger the assertion of the state will, or that of the aims of the government, these can be created in the law. [sentence as heard] Moreover, those conditions can be created too, that if purely individual enterpreneurs in, say, a limited company, in the interests of a determined aim, take on this undertaking, then the state, the enterprise, the bank, or other community organizations must have the perogative for the purchase of a certain number of shares.

So, we do not have to be afraid here that we are reproducing the prewar relations of exploitation, or more precisely, the class bases of this. This is not a danger.

[Correspondent] I am familiar with the speech, the report, which was delivered in the Central Committee. It has just one point that is not quite clear to me. This is related to the relationship of the cooperatives to the new thinking. How will the cooperatives participate in this? After all, they are also a form of partnership.

[Nemeth] This question required special political consideration. The cooperatives are a type of partnership, in the true meaning of the word; after all, they, let us say, the agricultural cooperatives, but also the industrial cooperatives, were people who joined together in the interest of reaching some common goal. However, there are very important cooperative features, which will manifest themselves in the longer term as well, and we must pay attention to them. The cooperative is not only a

pooling of wealth: It also fulfills a certain cultural mission, it provides a livelihood for its members; I will not go on enumerating these features.

Thus, we have given this special evaluation and it can be said on the basis of this evaluation that the cooperatives, those representing the interests of the cooperatives, adopted the stance that they were in favor of the company law, that it was necessary to bring it about, that the cooperatives should be able to participate as members and founders in various companies. But, as regards individual cooperatives, they did not regard it as justified at the present time, under the prevailing conditions, that they should be transformed, with their entire wealth, into one of the types of economic association.

It would also be a mistake, however, if in the future we would make this impossible for them once and for all. By that I mean that it is possible that in 5, 10, or 20 years conditions will be such whereby it will be necessary to consider the possibility of cooperatives becoming companies.

[Correspondent] I fear that many people are worried about the possibility that those who have not had much money up to now, will not have it in the future either, while those who have had a lot of money will have even more.

[Nemeth] In the wake of the new changes—and let me add that these will come about only in the longer term and very gradually—it will be necessary to reevaluate our outlook on distribution, or, in different terms, we shall have to be able to overcome the conditioning of egalitarianism. Why do I talk about a reevaluation? Because it is really true that as far as possible in socialism everyone should live on the basis of his work. We must not give up this principle. But if, let us say, I save, I accumulate some money, without knowing what I want to invest it in, but an opportunity presents itself, a good enterprise goal, an activity that promises me a good dividend, then I will put this money there. I saved money that I had worked for earlier on, and I took a risk, invested, and the other side of this coin is that I can lose money as well. It is not certain that the dividend will be as high as was promised; what is more, the situation may also arise that I lose the money that I invested.

All I wanted to indicate with this example is that the undertaking of risk is also a type of work, just as the managing of an undertaking is. We have to widen the horizon for the evaluation of the work content of incomes.

[Correspondent] But we are not alone in the world, even in the socialist world.

[Nemeth] If you will permit me, there is something I would like to add to what I said just now. Very many industrial workers have no savings. A large enterprise will be able, within the framework provided by the new law, to give these workers shares without payment, in advance. It can do so in part so as to ensure their loyalty if they are good workers, and these workers will thereby also have a chance to acquire a surplus income. A worker with this sort of tie will be more involved with the enterprise. This worker will be interested in the investments that the enterprise makes. Thus, what we would like to achieve is that a lively sparkle should come about in the economy, that money, capital, and the work force should flow into the most effective areas.

[Correspondent] How will this be received in the socialist countries? Is it possible to foresee this?

[Nemeth] I would say in brief that Hungary is not alone with its endeavors in this direction. The increasing of enterprise independence has been on the agenda of almost every socialist country in recent years. It is enough to refer to the enterprise laws enacted in 1981 in Poland, in 1986 in the Soviet Union, or to the most recent Chinese law, which are oriented in this direction. Parallel with this, in some of the socialist countries, in the Soviet Union, in Poland, and even in Czechoslovakia and in Bulgaria, they are dealing very intensively with the idea of preparing the introduction of a company law. Thus, this step of ours fits in, I think, with the endeavors of the socialist countries, because, after all, the goal is the same for all of us: The construction of the conditions for a more efficient, more profitable, socialist market economy.

[Correspondent] Thank you very much for the conversation.

Szuros Meets Minorities Leaders

LD1205185888 Budapest MTI in English 1705 GMT 12 May 88

[Text] Budapest, May 12 (MTI)—Matyas Szuros, secretary of the Central Committee of the Hungarian Socialist Workers' Party, Thursday visited the minority federations in Budapest, and held informal discussions with leaders of the democratic federations of southern Slavs, Germans, Romanians and Slovaks in Hungary. Matyas Szuros was accompanied by Andras Knopp, deputy head of the Scientific, Public Education and Cultural Department of the HSWP Central Committee, and Imre Szokai,deputy head of the Foreign Affairs Department of the HSWP Central Committee. Representing the minority federations, the meeting was attended by Marin Mandity, general secretary of the Democratic Federation of Southern Slavs (DFSS) in Hungary, Istvan Vuity, DFSS vice-president, Geza Hambuch, general secretary of the Democratic Federation of Germans (DFG) in Hungary, Karoly Mannherz, DFG vice-president, Gyorgy Mark, general secretary of the Democratic Federation of Romanians (DFR) in Hungary, Gyorgy Petrusan, DRF president, Dr R. Jakab, general secretary of the Democratic Federation of Slovaks (DFS) in Hungary, and Gyula Alt, DFS secretary.

At the meeting, participants reviewed the development of the state of the minorities, the coexistence of the Hungarian and the minority population, the preparations of the minority law, the characteristic tasks and problems of minority education, and the international relations of the minority federations.

The leaders of the federations said that the minorities living here are equal citizens of the country, and respected participants in the common nation-building work. They are aware that the Hungarian Government, in proportion with its economic possibilities, does much to improve their living conditions and for their individual and collective prosperity. They were of the opinion that implementation of the programme of economic and social stabilization and advance, and of the resolutions of the forthcoming national party conference can ensure the favourable development of the country's situation. The minority federations wish to play an active role in this.

The federation leaders reported on the preparatory work for their coming congresses. With respect to streamlining the country's political system of institutions they formulated the increased participation of the federations in the shaping of politics as a demand. In the interest of safeguarding and developing their national identity and original values, they consider the special attention and continuous care of the nation that forms the majority, and the renewal of the minority policy of the Hungarian People's Republic to be necessary.

The federation leaders also spoke about the results and difficulties of their cooperation. They attached particular importance to more fully extending the mother language educational and cultural network, in harmony with the growing demands. Alongside direct state support, they require that Hungarian foreign policy promote the creation of successful and continously expanding relations with the appropriate institutions of the mother nation, including those in the neighbouring countries. They termed it desirable to improve the standard of information, in the interest that the Hungarian population and the public opinion of their mother country receive a more authentic picture about the life, work, success and problems of the minorities living here.

Matyas Szuros stressed: Our minority policy practice and its further development stems from the essence of our policy, and is an organic part of advancing democracy and our efforts to renew socialism. Guaranteeing the individual and collective rights of the minorities living in Hungary is a question of principle, which requires constant attention in other places, including the state of Hungarians living in the neighbouring countries. It is the all-national interest of our people and country in the most narrow sense that the minorities living in our country, safeguarding their language, culture and identity, enrich the feature, culture and morality of our common homeland with characteristic features that are irreplaceable.

The secretary of the CC set forth: We can explore major reserves for the efficient implementation of the Hungarian foreign policy efforts by strengthening its social basis, by developing people's democracy. The aim of our party is for the minorities living in our country, and their organizations to become active participants of international relations. The many-sided, direct cooperation free of obstacles with the countries of the mother nations has particular importance in this. He termed as favourable that most of our neighbours look on the minorities living on the areas of one another as important components which strengthen the friendly relation between our peoples, as part of the internationalist cooperation of the socialist countries, which contributes to intensifying reciprocal understanding and friendship in this region of Europe, and to increasing the reputation of our countries. He stressed that we also consider our policy of principle in the minority issue represented in bilateral talks and many-sided forums, particularly in the events of the Helsinki process, as a contribution to balanced European cooperation and to strengthening security.

Varkonyi on Pact Foreign Ministers Session

LD1305191788 Budapest MTI in English
1835 GMT 13 May 88

[Text] Berlin, May 13 (MTI)—Foreign ministers of the Warsaw Treaty member states have been holding regular operative meetings, and the currently held conference in Berlin fits into this line, said Hungarian Foreign Minister Peter Varkonyi, in a statement given to MTI's Berlin correspondent.

At the meeting, he said, Eduard Shevardnadze gave a detailed report on the Soviet-American foreign ministerial talks in Geneva, and on the preparations for the Moscow summit. The ministers acknowledged with satisfaction that as a result of the common efforts and the reciprocal readiness for compromise, the obstacles in the way of the American ratification of the agreement on eliminating intermediate-range nuclear missiles have successfully been averted, and several issues related to the summit were coordinated.

The foreign ministers unanimously supported the report of the Soviet foreign minister, and voiced their hope that the agreement on the 50 per cent reduction of the strategic offensive weapons on the agenda of the Soviet-American negotiations will be signed as soon as possible, said the Hungarian foreign minister.

Peter Varkonyi left Berlin Friday evening. He was seen off at Berlin-Schonefeld airport by Oskar Fischer, foreign minister of the GDR. Also present was Istvan Roska, Hungarian ambassador to the German Democratic Republic.

CSCE Delegate Comments on Draft Document

LD1305205488 Budapest MTI in English
2020 GMT 13 May 88

[Text] Vienna, May 13 (MTI)—Ambassador Andre Erdos, leader of the Hungarian delegation attending the Vienna follow-up meeting, gave a statement to MTI's

Vienna correspondent on the draft of the closing document text presented at Friday's plenary session by nine neutral and non-aligned countries, the N and N countries. The ambassador said an important feature of the draft is that it expresses not only the interests and conceptions of the nine countries, but also reflects the debates and positions of the Vienna meeting to date. In the course of its detailed examination, many questions and amendment wishes will presumably arise among the participants, but it is, from the outset, promising that the general reception of the draft is not negative either from the part of the Warsaw Treaty or the NATO countries. The fact that representatives of both groups of states welcomed the document of the N and N countries, and promised to thoroughly study it, has brought closer the successful completion of the follow-up meeting.

Andre Erdos said the authors of the draft closing document made major efforts to formulate compromises acceptable to all, particularly with respect to issues in which the follow-up meeting has not reached agreement due to the differing interests of the participating countries.

The ambassador said: The Hungarian delegation has, from the very beginning, made efforts at the Vienna meeting to promote with its proposals that the elements of the closing document become more concrete, and that it ease, rather than unnecessarily obstruct, the creation of consensus necessary to approve the texts.

MTI Views Shultz-Shevardnadze Talks

LD1305193988 Budapest MTI in English
1225 GMT 13 May 88

[Text] Budapest, May 13 (MTI)—The main result of the two-day Soviet-American foreign ministerial meeting is that it has hopefully removed the obstacles to the U.S. ratification of the treaty on intermediate-range and tactical-operational nuclear forces, states the MTI Hungarian news agency in its Friday commentary. It is to be hoped that the first genuine agreement on disarmament concluded after 15 years of talks and eliminating hundreds of nuclear weapons will take effect by the summit. Despite the undoubted debates and difficulties, both sides are confident that the treaty on strategic nuclear forces will also be concluded in the near future. Until this happens, the Moscow summit is expected to result in partial agreements, for instance on the limitation of chemical weapons and nuclear tests.

Both foreign ministers emphasized that the success of the summit would not be measured by the number of agreements concluded. The Moscow meeting is regarded as a new station of what is expected to be a lasting process, encouraging further advance.

The Geneva talks of George Shultz and Eduard Shevardnadze are considered highly successful. The foreign ministers achieved the most what they could in the given situation and it was not little. Judging by the outcome of the Geneva meeting, the summit will not bring a dramatic breakthrough but may do a great service to maintaining and strengthening the process of Soviet-American approach, in the hope that this policy will also be supported by the next U.S. Government and the Washington legislation [as received] to be reelected.

Varkonyi Meets Egypt's Deputy Foreign Minister

LD1305215888 Budapest MTI in English
1559 GMT 13 May 88

[Text] Budapest, May 13 (MTI)—Egyptian Deputy Foreign Minister Ahmad Hatata visited Hungary May 10 to 13, on the invitation of Deputy Foreign Minister Gabor Nagy. Ahmad Hatata met Foreign Minister Peter Varkonyi, and held talks with Deputy Minister of Trade Zoltan Gombocz and Deputy Minister of Finance Andras Patko.

At talks the sides stated with satisfaction that cooperation between the two countries can be further extended in all areas, particularly in the economic field.

In connection with the Middle East developments they noted that the favourable changes in the international situation, including the conclusion of the agreement on Afghanistan, can also promote the settlement of the Middle East crisis. They assured of their countries' support the efforts which are aimed at holding an international peace conference under the aegis of the UNO, as soon as possible. The sides consider the relevant resolutions of the Security Council to be a suitable basis for settlement, with the demand that, similarly to the other peoples of the region, the enforcement of the right to self-government of the Palestinian Arab people has to be ensured.

Berecz Meets Soviet Foreign Affairs Figure

LD1305211188 Budapest MTI in English
1334 GMT 13 May 88

[Text] Budapest, May 13 (MTI)—Boris Pyadyshev, editor-in-chief of the monthly 'MEZHDUNARODNAYA ZHIZN' and member of the foreign affairs college of the Soviet Foreign Ministry, visited Budapest from May 11 to 13 at the invitation of the Hungarian Foreign Affairs Institute and the editorial board of the 'KULPOLITIKA' periodical. Boris Pyadyshev met Janos Berecz, member of the HSWP Political Committee and secretary of the Central Committee, and Geza Kotai, member of the Central Committee and head of the Foreign Affairs Committee of the CC, and held talks with Jozsef Benyi, deputy foreign minister. At the Hungarian Foreign Policy Institute Boris Pyadysyev delivered a paper and held a consultation on Soviet-American relations and the new Soviet foreign policy concept.

Environmental Accord Signed With Poland

LD1305220988 Budapest MTI in English 1640 GMT 13 May 88

[Text] Budapest, May 13 (MTI)—Hungarian Minister of Environmental Protection and Water Management Laszlo Marothy and Polish Minister of Environmental Protection and Natural Resources Waldemar Michna signed a cooperation agreement Friday in Budapest.

The agreement envisages the joint development of controlling and measuring instruments, the reciprocal transfer of information related to management and legal regulation, realization of joint scientific and technical projects, environmental protectional and water management facilities, the modernization of existing facilities, and the promotion of enterprise export activity.

The sides stressed at talks they reciprocally strive to implement the regional and global targets formulated by the world commission on environment and development and approved by the UN General Assembly.

During his week-long stay in Hungary, Waldemar Michna visited the Paks nuclear power plant, and showed particular interest in the effects the plans has on the environment. He was briefed on the measures taken to protect air purity, the environmental and water quality protection state of Lake Balaton, and the activity of the Pilis recreation park forestry.

The Polish minister left Hungary Friday.

Nature of Strikes in PPR Analyzed

AU1205152688 Budapest MAGYAR HIRLAP in Hungarian 6 May 88 p 2

[Article by Zsolt Zsebesi: "Situation Report From Poland—The Strikes and the Reform"]

[Text] Economic and political reform in the PPR is going through difficult times. The ongoing local strikes which started 1 week ago and the increasing demands for wage increases have created a tense economic and social situation. As usually happens at such times, problems which seemed to be already solved are resurfacing, issues which were considered dealt with are re-emerging, and political forces which were thought to have disappeared are gaining strength.

Hearing the news concerning the series of strikes and the increasing number of wage negotiations, millions of Poles as well as very many people outside Poland automatically asked themselves: Is this not the beginning of a nationwide wave of strikes? Is the country not again sinking into the confusion of protest actions, conflicts at workplaces, and wage negotiations whose conclusion is unforeseeable? Do the present uncomfortable social atmosphere, the lag in production which accompanies strikes, and the prevailing economic confusion not put additional and almost unbearable burdens on the Polish economy which is already struggling with internal imbalance and groaning beneath the weight of its debts? Does a situation which might eventually become impossible to control not mean that economic reform—which has been under way since 1982, under such difficult conditions—has stopped, and that the process of democratization has been defeated?

The only certainty is that economic and social destabilization does not at all serve Polish interests. The standstill which might result from such destabilization would mean defeat for the program of Polish renewal and the country's fatal relapse into crisis. Polish leaders, including Wojciech Jaruzelski, first secretary of the PZPR Central Committee, are warning against this, and at present no responsible and reasonable political force in Poland would accept such an eventuality.

In his traditional May Day speech, Jaruzelski formulated this in the following manner: "Nobody should expect the party to give up the guidelines for renewal and the reform concepts it adopted at its 9th and 10th congresses. There is no turning back from the political platform of openness, democracy, and consensus; but anarchy must not recur, either. The leadership of the country will not retreat from forces which oppose the reform, and will not give itself up to destructive and disruptive forces, either." The leadership of the country is, therefore, aware of the dangers inherent in the present situation and of its commitment to Polish society. However, it is also aware of the "responsibility it must accept in connection with the reform under way in the other socialist countries." Reform, then, is at stake. The PZPR and the Polish government have formulated their position clearly: They will protect reform from all attacks, no matter how these attacks are camouflaged or what direction they come from. This position is confirmed by the fact that the Sejm will convene on 11 May in order to decide whether the government should, extraordinarily, be invested with full powers. Such authorization would be accompanied by the suspension of certain laws and an increased sphere of authority to take measures; the Council of Ministers, that is, Zdzislaw Sadowski, deputy chairman of the Council of Ministers, would use these steps to accelerate the implementation of the reform. In other words, seeing the sudden accumulation of obstructions, the leadership of the country has elected to advance even more resolutely and not to withdraw. At the same time, this decision is also an answer in principle to people who want to use the present, tense atmosphere to implement their unrealistic political goals which have remained unfulfilled since 1980, and also to people in Poland and outside it who doubt that the process which started in Poland in 1982 is durable and irreversible—that is to say, this is also an answer to Western politicians and international financial groups for whom the normalization of relations depends on domestic resurgence.

The ongoing protest actions and strikes which started last week began when the transportation workers of Bydgoszcz Voivodship stopped work on 25 April. The

two largest cities in the voivodship were without public transportation for 12 hours. This protest action, which occurred in the middle of wage negotiations which have been under way for months already and occurred without any prior notice, violates the trade union law which regulates the organization of strikes. Despite this, an agreement was concluded that day, 25 April, on increasing the wages in Bydgoszcz which lagged considerably behind the wages of bus and streetcar drivers in other cities. As soon as passions subsided, reports of newer cases of work stoppages and strike threats began arriving from Nowa Huta and many other towns. After the temporary strike at two Wroclaw enterprises, work stopped at certain sections of the Lenin Shipyards at Gdansk on Friday. Forces which are active at the enterprises and outside the legal trade unions, and which for the most part are close to the former "Solidarity," sparked off the strikes everywhere, or very quickly assumed leadership of the activities. In addition to an escalation in wage demands, this was automatically accompanied by the emergence of political demands. Although the strikes were obviously in violation of the law, wage negotiations in the spirit of the reform began everywhere. Enterprise managements tended to increase wages, and one can even say that agreement on financial issues has indeed been reached everywhere. Nevertheless, the activities, which had an increasingly political character, went far beyond strikes for wage increases.

As this report is being written, the situation in Gdansk and Nowa Huta is extremely tense and both enterprises are characterized by complete financial bankruptcy and by the increasing tension between workers who want to go on strike and those who want to continue working. The Workers' Council of the Lenin Shipyards is already considering initiating bankruptcy procedures. Reports are coming in from an increasing number of Polish large-scale enterprises on the halting or the danger of halting sections of production as a result of a shortage of basic materials produced by the Lenin Metallurgical Works.

In the meantime, because of accelerating inflation and the price increases which took place at the beginning of the year, workers in more and more professions—most recently, the miners—are announcing that they propose to hold wage negotiations and that they think an increase in their wages is justified. In other words, although there are at present no reports on additional strikes, it seems that the process cannot be stopped. However justified or understandable the demands for general wage increases en masse may be, there is no real economic basis for them. It is enough to recall that, amidst a 45 percent increase in prices during the first 3 months of 1988, average wages increased by 46 percent and people's incomes increased by 60 percent. These increases not only exceed the planned increases—they are considerably higher than what the economy is capable of supporting. Therefore, it is necessary to halt the competition between prices and wages, not to increase it. This is all the more true because there are no extra goods to meet the extra incomes; this can only lead to an increasing domestic imbalance and, eventually, to even faster inflation. This would mean total chaos in the Polish economy. The present demands for wage increases should be evaluated only from this perspective.

According to a representative survey carried out by the Polish public opinion research institute, 61 percent of the Warsaw population think that strikes reduce the standard of living, 15 percent think that strikes increase it, and 24 percent are undecided. Some 26 percent of the people interviewed think that the strikes can be expected to spread, and 56 percent think that there is no such danger. To a great extent, the issue of which group is right will be decided by the interviewees themselves.

Council of Ministers Considers Special Powers

LD1305193788 Warsaw Television Service in Polish 1730 GMT 13 May 88

[Text] The Council of Ministers has considered initial actions based on the law granting the government extraordinary powers and prerogatives. The solutions envisioned will serve, inter alia, to better supply the market, improve the monetary market equilibrium, counteract unjustified price increases, the so-called investment front, and also accelerate investment processes already started. Inter alia, individual exemptions granted by the finance minister on income taxes and above norm wage payments have been suspended.

To speed up housing construction, construction of administrative facilities has been banned. Treasury chambers will be able to defer increases in negotiated prices declared by producers or retailers—which are obligated to inform them about increases—albeit for a period not longer than 6 months.

The foreign trade minister reported on work to liberalize customs regulations regarding imports of goods for purposes unrelated to trade. At today's session, the Council of Ministers also considered the finance minister's report on the implementation of last year's state budget. The budget deficit was around 175 billion [currency not specified] lower than planned. Income was higher and budget expenditures exceeded those planned by barely half a percent. Worthy of note is the fact that expenditures for welfare and cultural purposes rose by over one-fourth. Expenditures on public security, national defense, and also state administration rose to a significantly lesser degree. The rise in budget expenditures was associated mainly with the partial subsidy to cover increases in prices and wages. The rise was a limited one, however, due to the implementation of economic programs.

Sejm Resolution Noted

AU1605124388 Warsaw TRYBUNA LUDU in Polish 12 May 88 pp 1, 2

[PAP report: "Resolution of the PPR Sejm"]

[Text] The PPR Sejm reaffirms its determination to continue the policy of socialist renewal and profound reforms to the country's social and economic life.

Mindful of historical experiences and aware of the reasons behind our weakness, but also convinced about our society's unused energetic possibilities, we are achieving historic transformations.

The process of reforming the economy and democratizing the country has entered a decisive stage. Activity aimed at expanding professional and territorial self-management and developing enterprise and initiative is having an increasingly greater influence on our lives. Socialist pluralism, permitting increasingly broader platforms of dialogue and joint activity with all those who profess the political principles of the PPR Constitution, is taking shape.

We are consistently perpetuating civic liberties. We are enabling the citizens of our country to feel that they are joint managers of their state, city, village, or workplace.

The Sejm is in favor of enhancing and accelerating the economic and sociopolitical reforms and expanding the platforms of accord and cooperation for the sake of the common good.

The changes that have occurred in recent years are encouraging a consolidation of our state's international position. Poland is in the mainstream of the changes taking place in the Soviet Union and other socialist countries, changes that serve to consolidate the strength and cohesion of our community of states. We are aiming toward a complete normalization of relations with all states, including in the sphere of economic cooperation, detente, and disarmament. The normalization of relations with creditor countries is of particular importance. The Sejm is convinced that the reforms and the economy's regained development potential will encourage the creditor countries to adopt a realistic approach toward our postulates.

The Sejm states that the process of comprehensive restructuring of the country's social and economic life, so important for its domestic development as well as for its international position, has created a permanent foundation on which to implement broad national accord on the basis of common sense and common interests shared by all society. All the political and social forces contained in PRON and our state's citizens in general are in favor of such accord.

Recognizing the economic reform as a supreme issue, the Sejm has adopted a timetable for implementing the second stage of the reform which was broadly agreed-on and amended following the referendum. This is a chance to lead our economy onto a path of permanent, efficient development that guarantees an increase in our citizens' standard of living. This involves temporary acute effects for a considerable part of our society.

The Sejm declares that much inconsistency and lack of determination has taken place during the implementation of the economic reform so far. This has made some economic circles convinced that it is possible to ignore the rules of the economic game and the country's economic reality. Bearing this in mind, the Sejm has decided to equip the government with extraordinary powers and authority. The Sejm lends its support to Wojciech Jaruzelski, who suggested at the 10th ZSL Congress the adoption of additional solutions and powers to overcome bureaucratic barriers and old habits and consolidate and expand reform activity. Granting these

extraordinary powers, the Sejm expects from the government more determined activity and faster reaction to difficulties and dangers, as well as a more effective protection of society against the temporary difficulties connected with the economic reform.

The Sejm considers it essential to increase control over the process of reforming the economy, while encouraging the liberation of independence, responsibility, and thrift; and eliminating and preventing anything that hampers development and the work of reform and democratization. In this regard, the Sejm's control will be carried out in particular by the Extraordinary Commission of Controlling the Implementation of the Economic Reform.

The PPR Sejm points out that irrespective of intent or reason, preventing the transformations in our country means pushing the nation and state off the path of social progress and material prosperity. The effects of the recent strike unrest are already a serious burden on the start of an accelerated phase of reform. The Sejm states that any tension and difficult issues should be resolved according to the law, not by means of unlawful strikes and demonstrations that hamper the process of reforms and weaken Poland's position on the international arena. Never in our history did we reach our objectives when emotion was stronger than common sense and parochial interests were above general social ones.

That is why the PPR Sejm, with the utmost determination, favors consolidating and enriching the selected path of reform.

Further Reportage on National Strikes

Nowa Huta Workers Released

AU1305130688 Paris AFP in English
1258 GMT 13 May 88

[Text] Warsaw, May 13 (AFP)—Polish authorities have begun to release workers of the Nowa Huta steel mill arrested when police raided the plant a week ago to break up a strike, informed sources said here Friday.

Six of a total 17 arrested workers at the plant in southern Poland were freed Thursday and the others were expected to be released Friday, sources added.

Six members of the steel mill's strike committee were still to stand trial at Krakow, near Nowa Huta, the sources said. They faced prison terms of up to two years.

Authorities had promised clemency for some of the arrested strikers in talks with Bishop Tadeusz Goclowski of Gdansk to end the walkout at that Baltic city's shipyards.

The move followed a visit to Nowa Huta by Interior Minister General Czeslaw Kiszczak.

Meanwhile, negotiations to settle the labour unrest at the Ursus tractor plant near Warsaw broke down Thursday after two days, informed sources said Friday.

Workers rejected a management proposal of pay hikes for the company's 15,000 employees of 2,100 zlotys (about five dollars) starting July 1.

The offer fell short of the 12,000 zlotys (30 dollars) demanded by the workers' negotiation committee. Management also offered a 6,000-zloty (15 dollar) bonus for workers with large families.

Workers earn an average of 40,000 zlotys (100 dollars) a month in Poland.

A strike at Ursus on Monday was suspended the same day after the management agreed to negotiations.

But while agreeing to discuss pay demands, the management refused to take up the issue of union pluralism at the company as demanded by the employees.

Workers' representatives were to meet with the company's Workers' Council on May 23 to examine the situation and possible further action.

Kiszczak Attends Gdansk Briefing

LD1305182588 Warsaw Television Service in Polish
1730 GMT 13 May 88

[Statement by Interior Ministry press spokesman]

[Text] General Czeslaw Kiszczak, chairman of the Council of Ministers Committee for Observance of the Law, Public Order, and Social Discipline, took part in a briefing in Gdansk for the heads of the voivodship office of internal affairs, acquainting himself with the assessment of law and order in the Gdansk city and voivodship.

Czeslaw Kiszczak has had meetings with Stanislaw Bejger, first secretary of the party voivodship committee; Wlodzimierz Zwierzykowski, chairman of the Voivodship People's Council; Gdansk Voivoda Mieczyslaw Cygan; and Walenty Milenuszkin, chairman of the PRON Voivodship Council. Current issues relating to the socio-political situation in the city were discussed.

During a meeting with representatives of the Gdansk Technical University, including Rector Boleslaw Mazurkiewicz, and representatives of the Gdansk university, including the rector, Prof Czeslaw Jackowiak, some problems of the academic milieu were discussed.

Czeslaw Kiszczak met with Lech Kobylinski and Jerzy Chelminski, members of the Consultative Council attached to the office of the Chairman of the Council of State.

During his visit to the Lenin Shipyard, Czeslaw Kiszczak held talks with managing director Czeslaw Tolwinski; (Wiktor Borsuch), first secretary of the enterprise PZPR committee; Jerzy bukowicz, chairman of the Employee Council; Henryk Koscielski, chairman of the Independent, Self-Governing Trade Unions of the Gdansk Shipyard, and (Henryk Stepowski), deputy chairman of the Enterprise Union of Socialist Polish Youth. Issues significant for the functioning of the enterprise and the workforce were discussed.

Czeslaw Kiszczak acquainted himself with the production situation and the working conditions in the K-1, K-2 C, and (F) departments of the shipyard.

During his stay in Gdansk interior minister Czeslaw Kiszczak paid a visit to Bishop Tadeusz Goclowski, ordinary of the Gdansk Diocese.

Solidarity Militant Fined

AU1605113388 Paris AFP in English 1117 GMT 16 May 88

[Text] Warsaw, May 16 (AFP)—Andrzej Slowik, a former official of the banned Solidarity trade union in the central Polish region of Lodz, was fined Saturday for organising a meeting in a bus depot in the city, an informed source said Monday.

During the meeting, on May 4, several hundred workers drew up a list of demands to the management of the city's bus company, MPK. They included recognition of Solidarity and the rehire of workers dismissed by MPK and other employers in the region for their trade union activities.

Mr. Slowik was fined 40,000 zlotys (100 dollars) by a summary court, an average month's wage in Poland, the source said.

Andrzej Szewczuwaniec, the leader of the recent strike at the Nowa Huta steelworks, in southern Poland, met in northern Poland Sunday with Solidarity leader Lech Walesa, informed sources said here.

Mr Szewczuwaniec, 38, and several other members of the Nowa Huta strike committee, managed to escape when police intervened against strikers occupying the steelworks on May 5. He has since gone underground.

No details emerged regarding the talks between the two leaders in Gdansk.

Walesa Interviewed

AU1505115588 Vienna KURIER in German 15 May 88 p 8

["Exclusive" interview with Solidarity leader Lech Walesa by Conny Bischofberger in Gdansk; date not given]

[Text] KURIER: You were cheered by the Polish people last week when you marched through the streets with the workers following the strikes in Nowa Huta and Gdansk. Was there any cause for the cheers?

Walesa: The cheers were not meant for me, but for the workers who were and are prepared to struggle. The strikes were not initiated by Solidarity; we became involved later. The strikes arose quite spontaneously.

KURIER: In any event, they were called off without results being achieved. Doesn't that represent a defeat for you?

Walesa: While it wasn't exactly a triumph, it was also not a defeat. In any strike, more is involved than demands. I am actually quite satisfied, above all with the young workers' attitude. They understand that we need reform and are prepared to struggle for that. They clearly demonstrated this to the government through the strikes. Solidarity only placed its experience at the disposal of the workers.

KURIER: This experience was not of much help this time.

Walesa: Oh, yes it was. While we did not have time to make organizational preparations because we became involved only after the strike was underway, we did establish contacts and collect food, blankets, and money for the strikers. That is worth a lot.

KURIER: Are these workers you praise so much the new generation of Solidarity?

Walesa: Yes! These workers were 10 or 15 years old when Solidarity came into being. They are now ready to continue with our work.

KURIER: Have you become tired?

Walesa: Not yet. However, I have reached a point where I am thinking about what will come after me and my generation. I am making every effort to explain everything to the young people. I would like to prepare them thoroughly for what is to come, and I have to say they are more talented than I am!

KURIER: What is in store for Poland?

Walesa: We in Poland are faced with large-scale changes. Our problem is the bad economic situation; things are not going well for the Poles. They have to wait 30-50 years for an apartment and 15-20 years for a car.

KURIER: Isn't your country in a situation similar to that of many Western countries that are now experiencing difficult times?

Walesa: It's hard to make comparisons, but in principle you are right. If we could have pluralism, then it would be possible to avoid crises for the next 30 years. That would be so important for the country.

KURIER: Is Hungary, which is opening up somewhat, a model for Poland in this regard?

Walesa: Hungary is a little better than Poland, but it still hasn't become what it should. I compare the situation in the Eastern countries to working with fractions. They all have a common denominator—the system. The numerators are the problem—they are different with each country.

KURIER: What concerns you the most?

Walesa: The fact that other countries are opening up, while Poland lags behind. Technical developments are impossible. In this connection the matter of different military blocs is not so important. The world has entirely different concerns—Chernobyl or acid rain, for example. If we do not find solutions to those problems, then we will meet each other in heaven where we can concern ourselves with the question of which alliance we belong to!

KURIER: According to an opinion poll conducted in Poland, almost 50 percent of the people think most highly of Gorbachev and 30 percent favor the pope—and then comes Jaruzelski.

Walesa: Well, in reality the pope of course heads the list. Regarding Jaruzelski, it depends on how you view the man. He would head the list if viewed as someone with a fantastic army and police force; he would also head the list if viewed as someone with large debts. However, viewed as someone who would be able to get rid of the debts, he would be in last place.

KURIER: And Gorbachev?

Walesa: He is certainly following a good path.

KURIER: Where does this path lead?

Walesa: That is quite uncertain. The problem is that Gorbachev only speaks about reforms. It is an entirely different question whether he can implement them. He himself said in his latest speech that he was being hindered in this regard by even the highest levels of the party.

KURIER: Does this mean poor prospects for true reform?

Walesa: Our movement in Poland was a test for his reform. The system in Poland had led to an absurd situation, and we were looking for a solution, just as Gorbachev is looking for a solution. So far he has not found a solution. Limits are placed on Gorbachev just as the government places limits on us.

KURIER: Nevertheless, he is making progress.

Walesa: I would like to compare him with a present that is beautifully wrapped and thus makes an impression. However, I am interested in what is inside the package. You know radishes, they are red on the outside and white on the inside.

KURIER: Do you believe in the path he has taken or not?

Walesa: I believe Gorbachev is struggling alone. If he is successful in changing the system, then we can praise him. Not before.

KURIER: Would you like to meet him?

Walesa: Who wouldn't? I would very gladly meet with him, but I wouldn't like to talk with him through prison bars.

Western Journalists 'Cautioned'

LD1305172488 Hamburg DPA in German 1536 GMT 13 May 88

[Text] Warsaw (DPA)—The Polish Foreign Ministry today cautioned six Western media representatives and accused them of biased reporting on recent events. The correspondents were told that they had violated Polish law, because, during the strike at the Lenin Shipyard in Gdansk, they had gone onto the site of the shipyard to talk to the strikers.

The journalists, including Ruediger Hoffmann, the correspondent of First German Television (ARD), and Piotr Vilczynski, a representative of the German Press Agency (DPA) were threatened with withdrawal of their accreditation if similar cases occurred again. Also affected are correspondents for the international agencies Associated Press (AP), and REUTER, as well as those of the FINANCIAL TIMES and NEWSWEEK.

On Monday the journalists entered the shipyard site through a side gate, with a pass from the strike committee, to meet the strikers. Nobody prevented them from entering the site, neither the police, nor the uniformed workers defense force. Only when they had left the site did policemen, who had been hiding in the bushes, burst out and arrest them. A few days earlier Polish television had shown its own team trying to obtain permission from the strike committee to enter the shipyard.

The chief editorial office of DPA in Hamburg today protested the Polish accusations, which were totally inappropriate. DPA representative Wilczynski had acted to fulfil his journalistic obligation to carry out comprehensive reporting. DPA had not reported one-sidedly on the domestic Polish disputes, but in a balanced manner.

TRYBUNA LUDU Notes VOA on Unrest

LD1305183288 Warsaw Domestic Service in Polish 1700 GMT 13 May 88

[Text] The recent unrest in Poland and the law on extraordinary powers for the Council of Ministers to speed up the reforms, adopted by the Sejm, were examined on Wednesday on Radio Free Europe by Klemens Szaniawski, professor of Warsaw University, by Jacek Kuron, unemployed, and by Lech Walesa, employee of the Gdansk shipyard; and on Voice of America by Andrzej Stelmachowski, professor of Warsaw University. These statements have been noted by today's TRYBUNA LUDU:

Klemens Szaniawski: I find it difficult to understand this way of thinking, when the only reply to everything is what the Sejm seems to be starting to adopt at the moment, namely these special prerogatives, which as a matter of fact, provide an authority to react with force to anything that may happen.

To the question why the strikers at the steelworks and the shipyard were not followed by others, Klemens Szaniawski replied: My understanding of these motives is very limited, is very limited.

Jacek Kuron: The adoption of the extraordinary prerogatives for the government is an obvious announcement of the bankruptcy of the second stage of the reform.

Lech Walesa: It has always been difficult for me to prove many things to intellectuals and farmers.

Andrzej Stelmachowski: All this is still too new. It is difficult to put it in order and pass a mature judgement.

It is difficult to disagree with this last conclusion, TRYBUNA LUDU says. The newspaper provides a caption to these statements, which is a fragment of a report from 1980 by the Foreign Affairs Commission of the House of Representatives of the U.S. Congress. The caption is: Unrest, instability and tensions in Eastern Europe serve the security interests of the United States. We shall leave this without comment.

Radio Free Europe Criticized for Broadcasts

LD1405173288 Warsaw PAP in English 1448 GMT 14 May 88

["RFE Lies Once Again"—PAP headline]

[Text] Warsaw, May 14—The Polish Ministry of Foreign Affairs has warned several Western journalists that their accreditation would be withdrawn if they continued to infringe on or break the law in force in Poland. Such a condition of work is understandable and observed in the whole of the civilized world, to which Western countries want to belong to, despite the fact that there were instances where journalists from the socialist states were expelled from the West without any legal justification. This happened to, among others, a PAP journalist who was expelled from the United States. Nobody at the time accused him of breaking the American law. They simply did not like him.

In Poland, journalists from the East and West have full freedom of work, access to all sources of information, including the opposition ones, which they use overzealously. But our foreign colleagues, just as the Polish journalists, are obliged to respect the Polish law.

Radio Free Europe, commenting on this fact on May 13th, announced that the warning was related to allegedly biased reporting about Polish issues. RFE has lied once again counting on its listeners' possessing little knowledge of the legal matters. Nobody in Poland, of which RFE is very well aware, bars Western correspondents from writing as they like and about what they like. It has been known in Poland for a long time that many of them obediently carry out the orders of their head offices and, therefore, Poland has come to terms with their biased attitude.

But this has nothing in common, whatsoever, with giving them the right of breaking the law.

Former Director on U.S. Support

LD1005084788 Warsaw PAP in English 0030 GMT 10 May 88

[Text] Warsaw, May 9:—A closed meeting of the Polish-language section of the Radio Free Europe broadcasting station was held with Jan Nowak, the section's former director, who is currently an advisor to the American Security Council and a member of the leadership of the Polish American Congress, was held in the famous English garden on the premises of RFE's seat in Munich.

We have already presented excerpts from Jan Nowak's initial pronouncement in which he answered questions posed by the participants. Today we report on the second part of the meeting.

Answering a question about the reaction in the Congress to the 1 million dollars for "Solidarnosc" from the U.S. budget, Nowak replied that there existed a need of increasing the amount of funds for the so-called structures from the sole source from which "Solidarnosc" has the right to openly receive money, that is from trade unions—the AFL-CIO.

The U.S. Government cannot openly finance "Solidarnosc". This is impossible since it would put those people in a situation in which they become agents. The only thing which could be done was to specify by law that

the money would flow through the existing mechanism, meaning the AFL-CIO. The bill was passed, and during congressman Rostenkowski's visit to Warsaw, Jaruzelski said: According to your law a citizen of the United States who receives money from a foreign country must register as a foreign agent—on the one hand you want us to carry out a dialogue with these people, while on the other you make them your agents. One or the other, Rostenkowski was very perturbed by this. Thus there was a letter from Walesa and a decision was made that they could not use this money to pay their own wages, they could not use it to finance their structures since they would not only lose their status but also because the public opinion would not tolerate this. Since technically they would have become American agents.

(Does this mean that neither Mr Nowak nor the congress doubt about the status of these structures and that they are annoyed solely by the fact that these people would "technically become American agents" — ed.)

Another question concerned the existence in the United States of a pressure group, a lobby supporting RFE and Radio "Svoboda" [Liberty].

Jan Nowak explained that the so-called Polish American Congress has the right to a lobby andmakes use of this right. At the present moment there has arisen a link-up between Mr Forbes, who is a multi-billionaire and who, therefore, has tremendous influence and Mr Pal, who is extraordinarily effective as far as hearings before commissions are concenred and who is exceptionally gifted with foresight as far as contacts with congressmen and senators are concerned. RFE from this moment on, that is beginning from October 1st, will fare much better than "the Voice of America," while, previously, it was the other way around.

The RFE has, at the moment, received new transmitters which will transmit from Israel and thanks to which Radio "Svoboda" will reach the whole of European Russia.

Answering a question about the RFE's role Jan Nowak said that Radio Free Europe should act and acts as an amplifier for the opposition in Poland. This is certainly a more important investment of its support than funds. The RFE is a transmission belt between the opposition which encompasses—I should think, maybe 70,000, maybe 300,000 people and the remainder of the population in Poland. I know that the circulation of the underground press is limited. A very large portion of society has access to it solely through listening to the radio. So, the RFE'S mission is great and can be greater. The goal and mission of this station remain of absolutely strategic importance.

Answering a question about whether the United States would not stop supporting opposition movements in Poland, Nowak replied: We must do everything possible so that the next president makes several commitments concerning RFE during his campaign. It was we who made sure that Reagan's speeches clearly state that that which Carter did for the RFE was insufficient and that a dramatic strengthening of these instruments must occur. And later, when budget cuts were being talked about, Reagan's pledges from his election campaign were recalled.

We must create a very energetic lobby, pressuring all candidates so that their election platforms contain certain specified commitments of maintaining this instrument, that is RFE and Radio "Svoboda", and of its considerable strengthening.

It is impossible to say whether detente will influence interest in expenditures on, for example, such an instrument as RFE. There exist very powerful gremiums which hold the opinion that the Reagan administration exaggerates the Soviet threat.

Strike Implications, Reform Considered

AU1605135188 Warsaw TRYBUNA LUDU in Polish 14-15 May 88 p 1

[Waldemar Mickiewicz commentary: "The First Conclusions"]

[Text] The wave of tension and emotion is subsiding. Attempts are now being made in Poland and abroad to understand what happened and define the reasons for the May unrest. There is undoubtedly a need for reflection and a far-reaching assessment. The next days will definitely produce increasingly richer thoughts on this subject.

It is not my ambition to treat this issue exhaustively. I only wish to draw attention to a few conclusions that can be drawn from the events of the last few weeks.

The first of these is obvious: A return to normalization should not lead to self-contentment. On the contrary, it should lead to calm reflection on what happened. This is precisely the trend that can easily be discerned in the extensive communique that was issued after the last meeting of the PZPR Central Committee Politburo. A similar attitude is present in the Sejm speech delivered by Premier Zbigniew Messner. So, everything seems to indicate that appropriate conclusions have been drawn during the last few days. The special powers that have already been accorded the government are undoubtedly a part of this.

But an examination of the way in which the recent tensions evolved also indicates that—and this was also stressed by the Western press—they not only had a different scope but that they also bore a different character from those that occurred at the end of the 1970's and the beginning of the 1980's. One could even detect in the reactions of political groups that are ill-disposed toward our country that they are aware of the fact that the situation today is completely different form what it

was several years ago. The main reason for this is that a new system of democratic institutions and mechanisms arose during the 1980's. In addition, a concept for the implementation of changes in the economy, for which support was expressed in a universal referendum and which has been confirmed by a Sejm resolution, has been forged.

During these last few days it has become clearer than at any other time in the past that the opposition is not capable of formulating any kind of realistic alternative to the socioeconomic reforms that are already being implemented. Consequently, it was compelled to simply express its aspirations to obtain power under the slogan of "trade union pluralism." The trade union phraseology that was used on this occasion was very quickly deciphered by most work forces, even in those factories where strikes or other protests were staged.

I think this happened, because, among other things, the new trade unions demonstrated their authenticity long before as well as during the recent events. They displayed an ability to listen to work forces and discharge their statutory functions. They have not only managed to accurately articulate the economic demands of work forces but have also fought for their realization.

Well before the strikes and unrest, even at the Lenin Steelworks and the Gdansk Shipyard, trade unionists sought to bring about the normalization of pay and eliminate disproportions. It can be said that the wave of unrest that moved across the country was, to a significant extent, preceded by the the activities of trade unions. Although the unrest hastened the realization of union demands, there was no strike-bound plant where trade union organizations had failed to note or act with respect to problems troubling a work force.

The OPZZ, by adopting an independent position on, among other things, the question of special powers, expressed completely new elements and possibilities that are present in the post-August Polish trade union movement. Incidentally, it is perhaps worth mentioning that there are more than 4,000 various organizations outside the structure of the OPZZ—plant unions or federations representing groups of enterprises.

It turned out during this period of conflicts that the heterogeneous, reformed trade union movement is effective and capable of dealing with difficult problems faced by workers. For example, as the draft law on special powers was being prepared, the OPZZ caused the government to reformulate some of its clauses concerning, among other things, collective action during disputes.

Have the trade unions come out of the recent test stronger? It is probably still too early to arrive at a definite conclusion. However, there is a great deal to indicate that the answer is yes. This is in spite of the fact that opposition activists—according to the pattern of 1980—launched bitter attacks on the trade unions.

Another characteristic feature of what happened was that subversive radio stations gave the opposition direct or indirect support. This is understandable because the activity, competence, and determination that trade unions showed in protecting employee rights made it difficult to paralyze the economy with strikes and dashed hopes of bringing about a total confrontation in the country.

The "advice" for Poland that was formulated outside the trade unions movement and was circulating in the West at the time was, to a large extent, "wishful thinking."

This, for example, is the advice that YOMIURI SHIMBUN gives us. I did not choose this paper because the advice that it gives is original but because the "advice" comes from Japan—a country where employee self-discipline is so strong and where strikes and wage demands that exceed what is economically possible, are simply unthinkable.

"An improvement in the state of the economy is impossible without a genuine reconciliation between Jaruzelski's government and labor. The Jaruzelski government should realize that there is no alternative to recognizing Solidarity and reverting to cooperation with it. Any other moves would only cause further economic damage and make the political crisis worse."

The usually tactful Japanese could have spared this type of advice. This is all the more true because there is an excess rather than a shortage of participants in the dialogue between the authorities and society in Poland. The trade unions—which have surely come out of this period of tension stronger —are themselves capable of modifying their structures and work should this be necessary in the interests of labor and the country.

The attempts that are now being made to understand what happened in Poland and the formulation of conclusions about the current situation cannot, in my opinion, fail to take account of the fact that the basic reason behind the May unrest were the genuine material problems that exist in the country or the fact that the consistent development of new democratic institutions played an enormous role in preventing a head-on collision and made it possible to make adjustments and defuse the greatest mood of tension. Finally, one cannot fail to take account of the fact that these authentic trade unions, which occupy a leading place in the system, performed a first-rate role. I think that they will continue to be authentic in their evaluations and increase their influence on working people's material circumstances.

By citing the sixth plenum resolution, which we know is devoted to the development of democracy, the PZPR Central Committee Politburo clearly indicated that among the conclusions that the party leadership drew from the recent events was that, alongside the acceleration of economic reforms, there is a need to step up the processes involved in the expansion of democracy.

Although on the face of it this may seem contradictory, the extraordinary powers ought to speed up changes in this area of the transformations that are taking place in Poland.

Pacifists Mount Hunger Strike, Demonstration

LD1505214888 Hamburg DPA in German 2047 GMT 15 May 88

[Text] Warsaw (DPA)—Thirteen Polish pacifists from the group Freedom and Peace [WIP] began a 7-day hunger strike in Wroclaw on Sunday. The civil rights campaigner Jacek Kuron, as spokesman for the group, reported in Warsaw that their action is meant as a demonstration for the release of the conscientious objector Slawomir Dutkiewicz, who has been on a hunger strike in prison since his arrest in November 1987.

The release of 13 other WIP members imprisoned for refusing to do military service, as well as the Solidarity leaders and workers in custody because of the recent strikes is also being demanded. The hunger strike is a continuation of the action by nine members of the Czechoslovak Group for the Demilitarization of Society [not further identified], who began a hunger strike for the release of Dutkiewicz in Prague on 8 May, ending it on Sunday.

Army Official Discusses 'Pacifists'

LD1605090888 Warsaw Domestic Service in Polish 1100 GMT 15 May 88

["Excerpt" of interview granted by Major General Professor Leslaw Wojtasik, deputy chief of the main Political Administration of the Polish Army to WALKA MLODYCH, entitled "Without a Double Standard;" date not specified—read by announcer]

[Text] WALKA MLODYCH: Let us turn to the problem of refusing military service. If we were to believe what is said and written in the West, and in our so-called opposition circles, this is a mass phenomenon and has become a political issue. How is it in reality?

Prof Leslaw Wojtasik: The number of those refusing military service for political reasons is minimal. Anyway, Radio Free Europe knows these persons, because it ceaselessly cites their names. However, they occupy no more than three lines of text. This testifies to the scale of the problem. Somewhat more people refuse service for religious reasons. This is also not a problem which would complicate the functioning of the Army. The Whole social system is changing, democratizing. The army does not shut itself off from this process. An expression of this is, among other things, work on modification of the law on universal duty to defend the Polish PR. The introduction of various forms of alternative military service is being considered.

WALKA MLODYCH: You mentioned this several months ago on television. Has anything been decided regarding this?

Gen Wojtasik: An appropriate team has been appointed, which analyzes all legal, organizational and technical aspects connected to this, and works out suitable proposals for changes. Decisions, however, are made by the Sejm. To avoid misunderstanding, I would like to emphasize that no one can count on being released from the duty of rendering services for the defense system. We wish only to create such organizational forms and such conditions as to enable every young citizen, irrespective of physical, mental, and health predisposition, political opinions, and religious convictions, to fulfil this obligation. There is probably not a single army in the world which would love persons who do not want to serve in it. Recalcitrant Danes, for example, are sent to Ethiopia, to bring aid to the starving population, in difficult conditions. In the FRG, the possibility of taking up employment in military institutes for those who shirk this duty is being limited. It is, therefore, possible to deter the schemers.

People doing this for deeper reasons, for example, pacifists, will suffer their lot with awareness of the price that has to be paid for their advocated ideals. We do not aim to expose anyone to suffering. It is simply a matter of all citizens being equal before the law and their obligations. This is demanded by law and order. As regards the pacifists (?you) mentioned, members of groups so loudly amplified by the West, such as "Freedom and Peace" certainly do not belong to them, since he who speaks out against military service and the Polish Army, but is no longer interested in, for example, the Bundeswehr or the U.S. Army, is not a pacifist. He who fights only for unilateral disarmament of the Soviet Union and the Warsaw Pact is not a pacifist. This is not pacifism but a clearly defined political stance. It is not, therefore, a coincidence that our pseudopacifists by no means get support in the West within the circles of its pacifists.

Labor Minister Discusses Draft Law

LD0905074488 Warsaw PAP in English 0002 GMT 9 May 88

[Text] Warsaw, May 8—During today's main news programme, the minister of labour and social policy, Ireneusz Sekula, spoke about the draft law on the extraordinary powers for the government.

The powers are planned as an "acceleration" of the reform's implementation. They are to favour the combating of bureaucratic barriers, tear the cobweb of old, inadequate regulations which do not stand up to the times. Furthermore, they are intended to take away from the opponents of the reform the tools which they used quite effectively to block it and, at the same time, encourage, give support and strength to those employees

and managers whom this corset impeded, who want to follow more quickly the road of innovation, experiments and stimulate others with their good results, Sekula said.

The extraordinary powers will make possible a greater control over price hikes, wages and market supplies.

Speaking about the increasing of the control over wage increases, Sekula said that the government would not block all increases. In conditions of the reform the government cannot give money to an independent enterprise, just as it cannot take money away from it. If enterprises work out financial resources for increases then they will be able to implement them on acucale and time of their own decision. The idea is, however, to ensure that the money for these increases comes not from excessive cost-price calculations but real production.

At the same time the extraordinary powers will enable the acceleration of the process of the elimination of wage disproportions which accumulated over the years. The process will be conitnued.

Minister Sekula said that the budget was a totally different issue. "I want to stress with full force that all planned wage increases in this sphere will be realized. This pertains to, among other things, school and academic teachers, cultural employees and other professional groups. It is the government's will that the process planned for 1988, in which the wages of this sphere should begin catching up to the sphere of material production, is realized," he said.

"The making of corrections in the budgetary sphere means the gaining of additional financial resources, just as enterprises which want to raise their employees' wages must gain additional financial resources. This in turn depends on work and economic results. The results of the second quarter will decide whether (on what scale and when) it will be possible to implement these increases. The goal of the extraordinary powers in this field is to create better conditions for the achievement of good economic results, but whether these are filled with concrete contents depends on productive labour.

Messner Speaks to Banking Officials

AU1005120388 Warsaw TRYBUNA LUDU in Polish 7-8 May 88 p 2

[Report on speech by Premier Zbigniew Messner at a meeting of representatives of Polish banks in Warsaw on 6 May]

[Text] Premier Z. Messner stressed the great importance attached by the government to the performance of banks, especially to the reform of the banking system and to the expected results of the impact of the reform on the economy. The transformation of the banking system, he said, is an important measure of the entire economic reform and its second stage.

Z. Messner said he highly valued the training of the banking experts for the realization of the reform of the banking system, as attested to by the proposals for this reform. This expertise and quality will determine the further practical transformation of the banking system.

The premier also noted that the particular role of the banks results from the fact than they can and should follow only economic considerations when making their decisions and evaluations. It is natural that this creates differences of opinion between the government and the central bank. This is because, in contrast to the banks, the government has to take economic as well as political and social considerations into account, but social considerations are not always at one with the logic of economic order. The process of reform is as economic as it is social, and that is why such controversies only prove that the lines of the reform are correct.

Our reform has now reached its most important and difficult point, Z. Messner stressed. The process of reform continues to encounter resistance, which is downright dramatic at times, but such are the laws of development. Z. Messner cordially thanked the bankers for helping to consolidate the reform within the national economy.

Finance Ministry Examines Pay Increases

LD0905202688 Warsaw Television Service in Polish 1730 GMT 9 May 88

[Text] [A. Szczuwanski, identified by caption] Today we came to the Finance Ministry with an issue which television viewers have recently been raising often in their letters and phone calls to our editorial offices. Pointing out that the enterprises that have had work stoppages have been given greater resources for remuneration, they ask: What about the others?

[Waldemar Manugiewicz, director at the Finance Ministry, identified by caption] Well, things are not quite as you put them, since the enterprises which recently were able to get pay increases were not allocated any additional financial resources from the state budget, as the system in forces does not provide for solutions of that kind. They were allowed to increase pay but within the resources which the enterprises themselves are able to generate.

[Szczuwanski] But some people could ask why didn't they know that pay could have been increased in those enterprises in February or even earlier, why did they only find out now.

[Manugiewicz] Because the evaluation of the money and market situation, as well as the prices and incomes situation, at the end of the first quarter did not look all that good compared to the first quarter of 1987, it was decided to allow tax-free pay increases to a level which would make it possible to maintain real pay at the level which follows from the Central Annual Plan. Namely, a

classical concession of that kind is the latest one, introduced by the Council of Ministers in April, which favors those production units which run continuing operations and work three- and four-shift patterns. There it is quite possible to get concessions against the tax on above-normative remuneration payments. Also those units which engage in exporting and those which provide certain services for housing construction and infrastructure are favored, as well as those reducing personnel and taking some similar steps. Of course, the enterprises themselves have to make use of all these opportunities and it depends on them and them alone whether this year's pay increases will be greater or smaller. And here savings have to be sought not only on the side of reducing the tax, that it seeking the simplest way—through claims, but also and above all through reducing operating costs and increasing the volume of production, that is through actions which result in additional resources for remuneration.

Finance Ministry Raises Gold Price

LD1005094688 Warsaw PAP in English 0850 GMT 10 May 88

[text] Warsaw, May 10—The minister of finances decided to lift the price of gold and its products on an average of 40 per cent as of yesterday, the daily DZIENNIK LUDOWY reported.

The price of one gramme of pure gold scrap was set at 18,900 zlotys, and of lesser quality gold (58.3 per cent of pure metal) at 11,020 zlotys. The black market value of 58.3 per cent gold stood at 12,500 zlotys at the beginning of May, according to quotations in the VETO weekly.

A proportional boost in prices of the "jubiler" firm has been announced. For example prices on golden wedding rings went up from 13,600 to 19,750 zlotys per gramme.

DZIENNIK LUDOWY said that the new prices were to tempt people to sell gold products in their possession to improve market supply which has been short, especially of gold wedding rings.

Rembisz Queried on Workers in Politburo

AU0505121188 Warsaw SZTANDAR MLODYCH in Polish 29 Apr-1 May 88 pp 1, 3

[Interview with Politburo Candidate Member Gabriela Rembisz by Przemyslaw Rejer: "I Do Not Say What I Do Not Mean" — date and place not given]

[Excerpt] [passage omitted]

[Rejer] Do you think that the idea to introduce workers into the Politburo was a good idea?

[Rembisz] Much has been said on this issue and many sophisticated arguments have been made since the ninth party congress.... I tell you, today I am no longer convinced that it is necessary to appoint workers as Politburo members so the party leadership know better what our comrades in work think and say. You see, every "professional" politician in the Politburo knows all about workers and keeps in touch with them. He knows workers problems, so Politburo members who are workers like myself are quite superfluous as intermediaries.

[Rejer] Why are you then a Politburo member?

[Rembisz] I think this is a result of the continued division between workers and the intelligentsia. It is true that this division is becoming an anachronism in the face of the present changes in standards of civilization, especially in the face of the leveling off of people's education, but this division does exist. It is often the subject of various semi-truths and false views, one of which asserts that all the workers can do is to work and to constitute party grassroots and that the state government and the management of the party should be left to the intelligentsia. Recently the people holding such views have been trying to suggest that workers are wholly to blame for the too slow realization of the reform and for the insufficiently dynamic development of the economy. That is why I regard our presence—as workers—in the Politburo and in the party authorities as justified and necessary, because this is the simplest method of demolishing the myths and erroneous views ascribed to us. This is a method of speaking our minds about our problems.

[Rejer] In connection with the alleged destructive influence exerted by workers on the economic reform: I have been told by a serious scientist that it is a fact that wage egalitarianism prevailing among workers communities continues to hinder the reform.

[Rembisz] Yes, it is true that some scientists imagine that they know everything about us better than anyone else. The enjoin us to believe in their simplified conclusions, but they forget that it was not workers who devised the wage grades for themselves and for their supervisors. Nor did workers invent the theory of equal stomachs.

[Rejer] All the same, some workers continue to claim that managers, engineers, and technologists should not earn too much above what manual workers earn.

[Rembisz] An enlightened worker—most workers are now enlightened—takes no notice of whether his manager earns too much. He takes notice of whether his manager runs the plant efficiently and profitably so workers are able to earn good wages. An enlightened worker will always ask why his superiors are paid their wages when they are incapable and do not know how to run the plant efficiently. Let no one talk therefore about that alleged wage egalitarianism and make nincompoops out of us—nincompoops who want to cut off their noses

to spite their faces. Altogether it is ridiculous to assert that we workers could ever be able to hinder efforts to rectify whatever has been made crooked in our economy. [passage omitted]

Jaruzelski Attends Constitution Ceremony

LD0305185388 Warsaw PAP in English 1700 GMT 3 May 88

[Text] Warsaw, May 3—A traditional ceremony of hoisting the national flag on the royal castle tower was held at the Zamkowy Square here today, on the 197th anniversary of passing the May 3rd constitution.

The ceremony was attended by General Wojciech Jaruzelski and also by Zbigniew Messner, Roman Malinowski, Tadeusz W. Mlynczak, Jan Dobraczynski, members of the Political Bureau and PUWP CC Secretariat, leaders of the ZSL (United Peasants' Party) and SD (Democratic Party). Members of the Council of State, government, deputies, generals, war veterans, leaders of the lay Catholics' associations, social and youth organizations, and PRON activists were also present.

Thousands of Varsovians and tourists who had come to the capital from other Polish towns and from abroad gathered on this sunny spring day around the Zamkowy Square. The ceremony in its symbolism referred to historical events dear to all Poles. 197 years ago the status of supreme legal act was given to a programme of systemic reforms leading to modernization and reinforcement of the state, proposed by the most enlightened minds of Poland of that time—the 3rd May constitution. Generations of Polish patriots and democratic activists referred to its ideals in the era of national uprisings and the struggle for social liberation, as they saw a priceless heritage in the 3rd May constitution. The ideals guiding the architects of the constitution: The desire of constructive reforms, linking the weal of Poland with progress, building national agreement on the basis of issues most important to the fatherland are referred to also today.

The broadest patriotic-thinking circles of society esteem the 3rd May constitution seeing it as an ever-topical call for national agreement on the grounds of social progress, development of democracy, and joint work for the fatherland and nation.

Members of the top authorities who took part in the ceremony made entries in the visitors' book.

Leaders Attend Celebration

LD0305210888 Warsaw PAP in English 1841 GMT 3 May 88

[Text] Warsaw, May 3: Gala meetings and concerts were held across Poland on the Democratic Party day today. Members of the Democratic Party SD took part in the marking of the 197th anniversary of the 3rd May Constitution.

Main event of the SD Day celebration was a concert at the Royal Castle. Present were representatives of PUWP authorities with Kazimierz Barcikowski and Mieczyslaw F. Rakowski. SD CC Chairman Tadeusz Witold Mlynczak addressed those gathered to say that SD members were pleased with the reinstatement of May 3rd in the calendar of Polish national holidays.

The SD, he went on, is a party that stakes on reforms, on using the possibilities that really exist in the political system but, when these are insufficient, on creating new ones which serve people better. The SD favours a democratic socialism whose inseparable feature is constant broadening of the social foundations of power and increasingly stronger position of representative organs.

The SD expects that a consistent implementation of the second stage of the economic reform will strengthen the socialised sector but will also fundamentally change the approach to individual forms of production. Necessary are stable conditions for development of various forms of enterprise, socialised and private, domestic and foreign.

While discussing the SD stance on the problems of intelligentsia, including the postulate of constitutional regulation of its position in the state, including the formula of its alliance with working and peasant classes into the list of fundamental policy principles, he stressed that the continuation of the present difficult situation of this group threatens with wasting the already spent outlays.

Military Daily Examines 'Mistakes' in History

AU0905130588 Warsaw ZOLNIERZ WOLNOSCI in Polish 7-8 May 88 p 2

[Commentary by Tadeusz Mitek: "Mistakes Which Must Not Be Repeated"]

[Text] The oldest and most beautiful writings by our poets and thinkers are on the subject of the fatherland. Remember Ostrorog, Frycz Modrzewski, and Piotr Skarga. Poland was big and strong then, but already there were symptoms which caused people to call for a repair to the Republic. This call was correct, but was not properly understood by the governors and by those who were governed.

Later, the Polish statehood collapsed. Today only a bitter aftertaste of that period remains, plus the knowledge that this collapse was not just the result of the rapacious policy of the partitioning powers, but also of the weak political and economic state of prepartition Poland.

The geopolitical situation in 1918 caused Poland to regain its independence. Apart from containing undeniable achievements in rebuilding the statehood and

strengthening the sociopolitical and economic structures, the period of the Second Republic was also full of mistakes in foreign and domestic policy. The Hitlerite aggression against our country revealed this fully.

The results of World War II, in which the Poles fought gallantly for their fatherland on all fronts, have given our society a new, socialist Poland, one that belongs to all of us. Our country has been rebuilt and has gained prestige on the international arena through the efforts of millions of citizens. However, it emerges that, even during this period, we have failed to notice certain mistakes...

When one follows our history, one cannot avoid drawing the conclusion that it is based on a collapse of political institutions through neglect, incompetence, anarchy, and individual and collective egoism. It is like a dance—at one time Poland is great, and then it is the puppet of nations.

Quite recent history tells us that we have also been the "sick man" of Europe, an anarchic state with a collapsed state and incompetent organization, a society in which demagogic rhetoric means more than common sense.

We spent several years emerging from this chaos. Maybe we did so too slowly and without enough determination, but we did it all the same. We reached the moment when political, economic, and social reforms began to assume a real shape. Common sense began to return to the economy. The democratization of life and the identity of the citizens beame a fact. The concepts of socialist pluralism and humanitarianism turned from slogans into sociopolitical reality.

And at this very moment, we found ourselves on the threshold of a mistake which we must never repeat—on the threshold of strike anarchy. One cannot deny that there is reason to be dissatisfied and reason to protest against certain decisions at this or that plant, and that the situation of many people is still difficult. But activity within the framework of the law, which gives broad possibilities of expression these days, is one thing and strike blackmail another—blackmail where the subject is no longer wages or social issues within the factory, but a political game according to the scenario of 8 years ago. Once again there are squabbles and individual terror against those who want to work; once again there are slogans about taking over shipyard assets—and power, and to do this at all costs, even at the cost of paralyzing the work of the shipyard and the entire economy.

Therefore one should ask: Why are we to interrupt the long process of reform, once again fear chaos and poverty, and revert to being the oddity of the world—or even a card in someone's politica! game?

After all, it is no coincidence that the same people are involved this time, and not others. Let us say this openly: At a promising time in the process of our renewal and in the face of a global agreement on international relations, someone, as if at the last moment, is trying to set fire to our home.

This is not rhetoric and should not be interpreted as mere phraseology. We must oppose these plans, not for the sake of voicing national slogans, but for the sake of the utmost common sense—our broadly-conceived common interests.

That does not mean we are calling for an end to criticise, for silence, and tolerance of wrongdoing. On the contrary, it is criticism that is needed today. But it has to be intelligent criticism that is conscious of the goal toward which we as a people and state are heading.

This goal is: completing the economic reform to the very end. This we have to do now; there is no time, because the world is running ahead. This is one of our generation's historic chances, if not its only one. If we do not manage this task, what happens next? The following similar question was asked in the past: ashes or diamonds? And mistakes were made many times. Let us finally rid ourselves of these unnecessary and tragic mistakes.

Let us be convinced that we are experienced and mature enough not to give way to demagogy, and settle our own affairs with common sense.

Punishment for Economic Mismanagement

AU1105104288 Warsaw TRYBUNA LUDU in Polish 6 May p 9

[Text] PAP—On instructions from General Czeslaw Kiszczak, chairman of the Council of Ministers Committee for Observing Law, Public Order, and Social Discipline, the "Spring 88" cleanup campaign was extended to the Radio Transmitting Center in Koszecino, Czestochowa Voivodship, in order to find out how property is protected.

The findings were that since 1978 the center had improperly stored 19 elements and accessories of the steel transmitting mast, worth about Z20 million. Since this improper storage is a glaring feature of mismanagement and waste, C. Kiszczak asked the minister of transportation, navigation, and communications to take official consequences against Kazimierz Pedzinski, head manager of the Regional Office of Radiocommunications in Siemianowice Slaskie. C. Kiszczak also instructed the chief of the Voivodship Internal Affairs Office in Czestochowa to initiate the necessary penal proceedings.

Control checks were also carried out in the sulfur mine and sulfur chemical plant in Grzybow, Tarnobrzeg Voivodship, which on 15 December 1987 bought a Polonez car from a private person for Z9 million through the

agency of the Mega Import-Export Company Limited in Katowice. Since the usual price of this type of car was Z4.5-Z5.5 at that time, the actual price paid amounted to a wasteful management of public funds. C. Kiszczak asked the minister of industry to dismiss Feliks Macias from his post as deputy manager of investments.

C. Kiszczak also proposed that the two ministers inform the public of the action they have taken in the two cases.

Official Punished for Mismanagement

AU0905112388 Warsaw TRYBUNA LUDU in Polish 5 May 88 p 7

[Text] PAP — Under the terms of the "Spring 88" cleanup campaign, General Czeslaw Kiszczak, chairman of the Council of Ministers Committee for Maintaining Law, Public Order, and Social Discipline, ordered an inspection of the Zoo Technical Experimental Institute at Czechnica, Wroclaw Voivodship.

The inspection has revealed great negligence in storing and safeguarding property of great value.

Because this negligence amounts to gross mismanagement and waste, General C. Kiszczak has asked the minister of agriculture, forestry, and food economy to take action against Alfons Urbaniak, chief manager of the Czechnica institute, and to inform the public of decisions in this connection.

At the same time, General C. Kiszczak has instructed the head of the Voivodship Internal Affairs Office in Wroclaw to initiate the necessary penal proceedings.

Presidium Views Alcoholism, Power Sources

AU0505100988 Warsaw TRYBUNA LUDU in Polish 3 May 88 p 2

[Excerpts] PAP—On 2 May, the Government Presidium acquainted itself with a report on last year's implementation of the law on society's sober upbringing and the combatting of alcoholism.

There was a significant drop in the purchase and consumption of alcohol (by about 4 million litres of pure alcohol) in 1987, with per capita consumption settling at the level of 6.9 to 7 liters.

Sales of beverages with a low alcohol content went up clearly. There was also a change in the consumption of alcohol.

The number of outlets selling high-proof spirits fell from 30,036 in 1985 to 28,549 last year. Less alcohol was sold in the "Pewex" chain of hard currency shops.

Alcohol still remained a serious crime-inducing factor. Despite the fact that the overall number of crimes committed under its influence has been falling for several years now, the number of dangerous crimes is still increasing.

Drinking on the job remains a dangerous phenomenon. Cases of this increased from 2,445 in 1986 to 2,945 in 1987. This increase is the result of stricter controls and greater social disapproval of persons who consume alcohol at work.

Last year, the work of the commission for combatting alcoholism concentrated on opposing drinking on the job and drunkenness among young people.

In pursuance of the committee's suggestions as well as suggestions by society, financial resources from the anti-alcohol fund have been earmarked for the development of treatment and rehabilitation facilities. Spending on treatment has increased by almost 30 percent since 1986, and spending on the construction of facilities has increased by about 60 percent.

The struggle against alcoholism in 1988 has three main objectives—a further reorientation of the production, sales and consumption of alcohol in favour of low-proof beverages; tougher controls in work premises; the development of treatment centres; and the formation of a campaign against alcoholism. Wide publicity will be given to this campaign, especially in the media.

The Government Presidium acquainted itself with a report on the state of supplies of equipment and spare parts for agriculture for the coming harvest.

This year, all sectors of Polish agriculture will have at their disposal over 1 million tractors, 500,000 trailers, 62,000 combine harvesters, 62,000 pick-up bailers, 240,000 threshing machines, and 180,000 sheaf-binders. In all sectors of Polish agriculture, the average level of mechanization of the 1988 harvest will be over 95 percent. This year, about two-thirds of cereals will be gathered by combine harvester. [passage omitted]

The Government Presidium examined a report on the national economy's supplies of fuel and energy in 1987.

It stated that last year, supplies of energy and most fuels were higher than planned.

Extraction of bituminous coal totalled 193 million tons and was over 500,000 tonnes above the planned level. Extraction of lignite went up by 5 percent. Supplies of engine fuel and oil increased slightly, but there was less heating oil and some kinds of gas. Electric output was higher than planned.

Despite the implementation of savings programs, fuel and power consumption in the national economy went up last year. This was because of the particularly bad

weather in January and February, which caused a 2.7 increase in coal consumption in the power generating industry. However, the greatest increase in coal consumption occurred in heat generating plants—by 8.2 percent. Despite the major 2.4 million tonnes increase in coal supplies to private consumers compared to 1986, not all coal quotas for households and agriculture have been distributed.

The low winter temperatures caused an increase in the demand for natural gas.

There was a major increase in the demand for engine oil, especially in agriculture. This was because of the imminent price increases and the bad weather during the last harvest. Supplies of engine oil to the market were unchanged. The higher electricity output permitted lower imports thereof.

The Government Presidium stressed that in future, the country's power needs could be fully satisfied by developing the nuclear power industry and using unconventional sources of energy.

A preliminary analysis has shown that as a result of economies, the energy intensiveness of production in 1987 fell by 1.3 percent over 1986.

This year fuel and power is being supplied without any major disturbances. Fuel reserves for the fall and winter will begin to be accumulated soon.

Interview With Youth Affairs Minister

AU0305170988 Prague HALO SOBOTA in Czech 30 Apr 88 p 6

[Interview with Aleksander Kwasniewski, Polish minister of youth affairs, by Pavol Minarik and Dalibor Macha: "Problems Will Not Go Away on Their Own;" in Warsaw, date not given]

[Excerpts] [Passage omitted] [Minarik, Macha] Since 1983, 15,000 young Poles have emigrated to capitalist countries for good and 80,000 have "extended" their stay there. Some 13,000 of them are university graduates. What do you think about these departures and about emigration in general?

[Kwasniewski] They are a worrying phenomenon and an extraordinary loss for our country. On the other hand, it is also a natural phenomenon, in a way, a repercussion of the serious economic difficulties experienced by Poland in the last couple of years. This has prompted many young people to try and look for their future and opportunities abroad. The impact on us of the departure of university-educated young people is particularly strong. The funds invested in them by our society yield no return. In this situation I regard as the most important thing the fastest possible progress in our economy, for a young Pole to see his prospects in life at home. [passage omitted]

[Minarik, Macha] Youth drug addiction—this inglorious term has acquired domestic rights in the vocabularies of both our countries. How do you resist it?

[Kwasniewski] We estimate that the number of drug addicts in Poland stands at 16,000. I am thinking of those who are directly dependent on drugs. However, some 100,000 young people are endangered because they live in an environment in which drugs circulate and are used. Every year some 100 people die of overdoses. However, in the last 3 years we observe that [the spread of] drug addiction has come to a halt. I know that there is no reason to be complacent but it is apparent that our measures are beginning to produce results. In 1985 we adopted a law on combatting drug addiction, which has, among other things, imposed limits on and introduced controlled production of poppy seeds. We have set up a special fund to treat drug addicts. A drive against drug addiction, called Monar, has been launched, which has created in the public opinion an atmosphere of irreconcilability toward this pathological phenomenon. [passage omitted]

[Minarik, Macha] The Catholic Church wields a strong influence on the youth in Poland...

[Kwasniewski] The position of the Catholic Church in our country is traditionally strong. Contact with it starts virtually with the child's birth. According to statistics, almost 90 percent of all children are baptized in churches. Later, the percentage of people maintaining contact with the church diminishes. Over 80 percent of all children participate in religious instruction classes and, later, some 35 percent of students regularly attend church services while studying. The church has a strong position in family life and I do not think that this has changed in any way in recent years. As regards faith itself, the actual conformity with the doctrine of the Catholic Church, it is declining, notably among the young generation. Young people, and not only they, disapprove of many church doctrines concerning, for instance, family life, divorce, contraceptives, and abortions. There is a distinct difference on all these issues between what the church preaches and people's attitude. The greatest decline has been evident since 1980-83, when it was possible to speak about the participation of young people in church services as some form of a political demonstration. Interest [in the church] is diminishing also because today there exist democratic institutions in Poland, operating within PRON, in which, as well as in youth and other organizations, people express their views without any fear. [passage omitted]

[Minarik, Macha] Your press has been writing about the strong endeavor of the church to win to its side scouts (one of the youth organizations in the Polish People's Republic). What does this imply?

[Kwasniewski] [passage omitted] We believe that worldly and church affairs should be strictly separated. That is why we are opposed in principle to youth organizations being involved in church ceremonies. Unfortunately, there are, even among the scouts' instructors, people with a strong Catholic world view. The clergy's attempts to pull scouts to their side still perspstbm The fact is that the church is afraid of this organization, whose activities are so attractive that they unfetter children and the youth from religious ties and draw them outdoors and to circles in which they can pursue their hobbies. We are engaged in a continuous battle here.

[Minarik, Macha] Relations and contacts among the youth of our two countries are not exactly active. Young people sometimes lack elementary knowledge about what goes on in the neighboring country. During their recent talks in Warsaw, Comrades Jakes and Jaruzelski spoke about the need to change this situation.

[Kwasniewski] The current level of these relations is unsatisfactory. [passage omitted] With the GDR we have an exchange program involving 150,000 young people every year. Contacts with the CSSR are on the level of several tens of thousands. It is important to meet and to get to know one another; direct contact is also the best way of overcoming various stereotypical ideas about the neighboring country. We will also have to improve cooperation between our youth organizations, which is often formal, if I am to be honest. We must not temporize and start doing something. The delay is great. [passage omitted]

Number of Poles Who Remain Abroad Increases

AU0205152588 Warsaw ZYCIE WARSZAWY in Polish 28 Apr 88 p 6

[PAP report: "Some 328,000 Poles Have Remained Abroad"]

[Text] Last year almost 5.3 million Poles made foreign trips, 1.146 million of them to the capitalist countries. Thirty percent more made foreign trips in April 1988 than in April 1987. However, the figure for those who went to the capitalist countries in April 1988 was as much as 50 percent higher than in April 1987.

The amended passport law has reduced the number of rejections for the issuance of passports. Last year only 2.4 percent of passport applications for trips to the socialist countries and 5.2 percent of applications for trips to the West were rejected.

In 1987 and the first quarter of 1988, over 17,000 people returned their unused passports because they had been refused visas by foreign consulates, mainly U.S. consulates.

At the end of 1987, there were 328,000 Poles who had failed to return from foreign, mainly tourist, trips made over the past few years. They include 11,000 engineers, 3,500 doctors, 4,000 scientists, 36,000 technicians, and 10,000 students.

Olechowski Holds Talks in Sweden

LD030017 Warsaw PAP in English 2208 GMT 2 May 88

[Text] Stockholm, May 2—Polish-Swedish political consultations were held here today, attended by Foreign Vice Ministers Tadeusz Olechowski and Pierre Schori.

Olechowski was received by Swedish Foreign Minister Sten Andersson with whom he reviewed bilateral relations and the international situation. The two expressed their satisfaction over progress taking palce in the East-West dialogue. Also Polish-Swedish relations are in good state, it was said. Olechowski will also meet with representatives of the Riksdag's Foreign Affairs Committee.

According to PAP correspondent Tomasz Walat, the consultations were another element in the lively developing dialogue, intensified by last year's visit of Poland's Foreign Minister Marian Orzechowski, which was a sign of return to normality in mutual relations. At that time, both Foreign Minister Sten Andersson and Prime Minister Ingvar Carlsson recieved invitations to visit Poland.

Romania's Giosan Received by Jaruzelski

AU291420 Bucharest AGERPRES in English 1339 GMT 29 Apr 88

[Text] Warsaw AGERPRES 29/4/1988—The first secretary of the CC of the PUWP, president of the Council of State of the Polish People's Republic, Wojciech Jaruzelski, received Nicolae Giosan, chairman of the Grand National Assembly of Romania, who paid an official goodwill visit to the Polish People's Republic at the invitation of the Sejm. Wojciech Jaruzelski was conveyed, on behalf of Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, a warm salute and best wishes of health and personal happiness as well as wishes of new and great successes for the friendly Polish people in implementing the targets of the Tenth PUWP Congress.

Thanking Wojciech Jaruzelski conveyed President Nicolae Ceausescu a warm and comradely salute and best wishes of health and personal happiness, as well as wishes of new and greater successes for the friendly Romanian people in translating into fact the resolutions of the Thirteenth RCP Congress.

During the interview reference was made to the ties of friendship, solidarity and multilateral collaboration between the two parties, countries and peoples which had broad prospects of expansion and development in all the domains of activity.

During the visit to Poland the Romanian parliamentary delegation had talks with Marian Orzechowski, member of the Political Bureau of the CC of the PUWP, minister of foreign affairs.

Jaruzelski Receives Romanian TU Leader

LD0905174888 Warsaw PAP in English
1513 GMT 9 May 88

[Text] Warsaw, May 5—A delegation of the Romanian General Trade Union Confederation (UGSR) headed by the federation's chairman, member of the executive Political Committee of the Central Committee of the Romanian Communist Party, Miu Dobrescu, visited Poland between May 4 and 9 at the invitation of the All-Poland Alliance of Trade Unions OPZZ.

As a result of talks between the delegation and the OPZZ leadership an agreement was signed concerning the further development and deepening of the cooperation between the two organizztions. Dobrescu was also received by PUWP First Secretary Wojciech Jaruzelski. The two discussed the key problems of cooperation between Polish and Romanian trade unions. The significance of the development of friendship and cooperation between both states was stressed. The talk was attended by OPZZ Chairman Alfred Miodowicz, who is also member of the Political Bureau of the PUWP Central Committee.

Press Review on Cadres, Church, Chernobyl

AU1605122288 Warsaw POLITYKA in Polish
7 May 88 p 2

[From the "press review"]

[Excerpts] [passage omitted] ITD on 10 April published an interview with Pawel Chocholak, head of the Cadre Bureau of the Council of Ministers Office, by Tomasz Janowski and Tomasz Kubaszewski. Here is an excerpt from it:

[Chocholak] We estimate that at present there are 44,500 posts that have to be politically accepted by the executive bodies of the voivodship committees or of the Central Committee (together with the executive bodies of the apparatus of the three parties). However, far more posts require the acceptance and, in principle, the evaluation of the PZPR plant committees.

[Reporters] What kinds of posts are these 44,500 posts?

[Chocholak] They are managing posts in the state administration from departmental heads in the central administration and voivodship offices through voivodas, deputy voivodas, and gmina heads. In the economic administration they are the posts held by factory managers. In other cases this issue assumes different forms. [passage omitted]

LAD on 24 April published an interview with Prof Dr Wladyslaw Findeisen, chairman of the Primate's Social Council, by Maciej Letowski about the document entitled "Catholics in Public Life." Here is an excerpt from it:

[Findeisen] The general principle is like this: One should participate in public life wherever possible, but not at the price of untruth and of the concealment of one's world outlook. Nor should one participate in structures and institutions that one regards in one's conscience as superfluous or as falsifying social life. During the many meetings I have had since the council has published this document, it has been precisely this issue that has been discussed most often. It goes without saying that no one has criticized the correctness of this very principle, but some people have proposed that the council should publish a list of the institutions and organizations one should reject. This is an obvious misunderstanding, because every citizen should solve this issue in his own conscience. [passage omitted]

WIECZOR WYBRZEZA on 22-24 April published an interview with Dr Jerzy Jaskowski of the Department of Physics and Biophysics of Gdansk Medical Academy, by Dorota Abramowicz. Here is an excerpt from it:

[Abramowicz] I am dreadfully astonished by the fact that, despite everything, no comprehensive research is being conducted into the results of the breakdown [in Chernobyl] of 2 years ago.

[Jaskowski] We have no funds, and statistical research would cost some hundreds of millions of zlotys. The government commission promised to supply these millions to the health service in 1986, but the government report states that only about 170 children, mostly from around Warsaw, who were affected have been examined. We also lack the necessary equipment. The nuclear services in the world generally tend to keep their results secret. (...) It is somewhat risky to draw conclusions from partial research. For example, the State Institute of Hygiene published an article in 1987 on the results of the examination of the thyroid gland in dogs. The article states that, since Chernobyl, the frequency of pathological changes in these friendly animals has increased 600 percent in Warsaw.

Press Review on Ideology, Workers Influence

AU1605114088 Warsaw POLITYKA in Polish
14 May 88 p 2

[From the "press review"]

[Excerpt] [passage omitted] TRYBUNA ROBOTNICZA on 29 April published an interview with Andrzej Czyz,

head of the Ideology Department of the PZPR Central Committee, by Remigiusz Jakubowski. Here is an excerpt from it:

[Jakubowski] Are you afraid that the opponents of the reform working in some scientific communities will influence the preparations for and the course of the All-Poland Ideological-Theoretical Conference in such a way as to provide very few reasons for backing the reform?

[Czyz] During preparations for the conference and, especially, during discussions about the concept of the conference, some people express views that are not favorable to a courageous approach toward new problems. These views could be summed up like this: Scientific thought is still not ripe enough to create a large-scale theoretical synthesis and to turn into laws the new phenomena and changes in the world of socialism. Since one must not rashly formulate new theoretical theses, these people maintain, it is necessary to primarily rely on theses that have already been verified. Prudence rooted in the honesty of the researcher is a most commendable virtue, but if it is accompanied by demands to persist in previous theses and evaluations and to negate one's right to research only because some scientists are helpless in the face of the present changes, then such prudence turns into a brake on the necessary changes. The team responsible for preparing the conference and, especially, the party leadership and the Ideological Department continue to prepare the conference in such a way as to ensure that the programmatic thought breaks the shackles of that magic circle of "verified" truths and that ideology is a promoter of changes and not their censor.

GAZETA KRAKOWSKA on 30 April published an interview with Professor Dr Wladyslaw Kwasniewski, sociologist at Krakow University, by Elzbieta Cegla. Here is an excerpt from it:

[Cegla] Are workers aware of their role and importance? Or have they been talked into believing that they are so aware?

[Kwasniewski] It is true that socialist ideology stresses the dominating role of the workers class as the leader of society. However, workers opinion polls shows that workers are not generally aware of such domination. It goes without saying that many segments of the workers class realize that the existence of the political system depends on their readiness to submit to the rigors of work. At the same time, however, most people are convinced—this has been confirmed by public opinion polls—that the worker exerts a very small real influence on the country's events. It is precisely this fact that induces people to loudly clamor for making the workers class sovereign and to bring the peasants and the intelligentsia to the same level. [passage omitted]

Leaders' Public Appearances 20-26 Apr

AU290945 [Editorial Report] Warsaw TRYBUNA LUDU in Polish from 21 to 27 April reports the following appearances of Polish leaders (date and page number given in parentheses):

On 21 April, a reception at the Soviet Embassy in Warsaw to mark the 43d anniversary of the Polish-Soviet friendship treaty was attended by Premier Zbigniew Messner plus the following members of the Central Committee Politburo and Secretariat: Kazimierz Barcikowski, Jozef Baryla, Jan Glowczyk, Czeslaw Kiszczak, Marian Orzechowski, Tadeusz Porebski, Mieczyslaw F. Rakowski, Florian Siwicki, Marian Wozniak, Manfred Gorywoda, Janusz Kubasiewicz, Zbigniew Michalek, Kazimierz Cypryniak, and Andrzej Wasilewski. (22 Apr, p 1) On the same day, a gala concert to mark this occasion was attended by Politburo members Jozef Baryla, Tadeusz Porebski, Florian Siwicki, and Marian Wozniak, and by Politburo candidate member Janusz Kubasiewicz. (22 Apr, p 1)

On 21 April, Jozef Baryla, Politburo member and Central Committee secretary, received Peter Symon, secretary general of the Socialist Party of Australia, who was on a visit to Poland. (22 Apr, p 2) On 22 April he received a delegation from the CPSU Central Committee headed by A. Berezhin, Central Committee member. (23-24 Apr, p 2)

Stanislaw Bejger, Politburo candidate member, met with Dr Gerhard Schroeder, chairman of the SPD faction in the Landtag of Lower Saxony, FRG, who was on a visit to Poland at the invitation of the Polish International Affairs Institute. (22 Apr, p 2)

On 20 April, Zbigniew Michalek, Politburo candidate member, chaired a meeting of the PZPR Central Committee Agriculture, Forestry, and Food Industries Commission on the subject of Polish exports of agricultural produce. (21 Apr, p 2)

Marian Orzechowski, Politburo member and foreign minister, received the new SRV ambassador Nong The Canon [spelling of name as published] 24 April. (25 Apr, p 5)

On 20 April, Mieczyslaw F. Rakowski, Politburo member and Sejm vice marshal, received a Dutch parliamentary delegation. (21 Apr, p 2)

Zofia Stepien, Politburo member, paid a visit to the PZPR Academy of Social Sciences on 26 April and discussed the academy's work with the staff. (27 Apr, p 2)

Andrzej Wasilewski, Central Committee secretary, received representatives of the Institute of Folk Music, on 21 April. (22 Apr, p 2) On 22 April, he met with

General Tadeusz Szacilo, chief of the Polish Army Main Political Administration, in order to discuss the role of culture in young people's upbringing. (23-24 Apr, p 2)

Leaders Public Appearances 27 Apr-3 May

AU0605160288 [Editorial report] Warsaw TRYBUNA LUDU in Polish monitored from 28 April to 4 May reports the following appearances of Polish leaders (date and page number given in parentheses).

Kazimierz Barcikowski, PZPR Politburo member; Jozef Baryla, PZPR Politburo member and Central Committee secretary; Jozef Czyrek, PZPR Politburo member and Central Committee secretary; Jan Glowczyk, PZPR Politburo member and Central Committee secretary; Czeslaw Kiszczak, PZPR Politburo member and minister of internal affairs; Wlodzimierz Mokrzyszczak, PZPR Politburo member; Florian Siwicki, PZPR Politburo member and minister of national defense; Marian Wozniak, PZPR Politburo member and Central Committee secretary; Zbigniew Michalek, PZPR Politburo candidate member and Central Committee secretary; Stanislaw Ciosek, PZPR Central Committee secretary; Kazimierz Cypryniak, PZPR Central Committee secretary; and Andrzej Wasilewski, PZPR Central Committee secretary attended May Day celebrations in Warsaw. (2 May, p 2)

Marian Orzechowski, PZPR Politburo member and minister of foreign affairs; Mieczyslaw Rakowski, PZPR Politburo member and Sejm vice marshal, and Stanislaw Bejger, PZPR Politburo candidate member, received a group of FRG Christian Democrat politicians led by Peter Repnik. (2 May, p 2)

Mieczyslaw Rakowski, PZPR Politburo member and Sejm vice marshal, and Kazimierz Barcikowski, PZPR Politburo member and deputy chairman of the PPR State Council, attended 3 May celebrations sponsored by the SD at Warsaw Castle on 3 May. (4 May, p 2)

Zbigniew Messner, PZPR Politburo member and chairman of the PPR Council of Ministers, received high school pupils who had excelled in a nationwide economics contest in Warsaw on 29 April. (30 Apr-1 May, p 2)

Kazimierz Barcikowski, PZPR Politburo member and deputy chairman of the PPR State Council, received the following new ambassadors on 28 April: Czimedijn Sereter (name as published), ambassador of the People's Republic of Mongolia; Nong The Can (name as published) ambassador of the SRV; and Gurdip Singh Bedi, ambassador of India. (29 Apr, p 2)

Jozef Czyrek, PZPR Politburo member and PZPR Central Committee secretary, chaired an open party meeting at the PZPR Academy of Social Sciences on the subject of the political and socioeconomic situation in the country. (29 Apr, p 2)

Zbigniew Michalek, PZPR Politburo candidate member and Central Committee secretary, received a Lithuanian party delegation headed by S. Gedraytis on 28 April. (29 Apr, p 2)

Marian Orzechowski, PZPR Politburo member and minister of foreign affairs, received Gurdip Singh Bedi, newly appointed Indian ambassador to Poland, on 27 April. (28 Apr, p 2)

Marian Orzechowski, PZPR Politburo member and minister of foreign affairs, received Richard Solomon, director of the political planning unit of the U.S. State Department, in Warsaw on 29 April. (30 Apr-1 May, p 2)

Gabriela Rembisz, PZPR Politburo candidate member, attended the opening of an exhibition entitled "Polish Furniture" on 2 May. (3 May, p 2)

Leaders' Public Appearances 4-10 May

AU1305095688 [Editorial report] Warsaw TRYBUNA LUDU in Polish monitored from 5 through 11 May reports the following appearances of Polish leaders (date and page number given in parentheses):

On 5 May, Premier Zbigniew Messner received Andrzej Jedynak, Polish ambassador to Czechoslovakia (6 May p 5).

On 5 May, Politburo Member Kazimierz Barcikowski received officials of the religious association of the Seventh Day Adventists (6 May p 3); on the same day he received credentials from Juergen van Zwoll, new GDR ambassador in Poland (6 May p 5).

On 9 May, Politburo Candidate Member Stanislaw Bejger met with war veterans at the Westerplatte Monument in Gdansk (10 May p 3). Central Committee Secretary Stanislaw Ciosek received a delegation of the Patriotic Union of Columbia no date specified (6 May p 5).

On 4 May, Jozef Czyrek, Politburo member and Central Committee secretary, received Ivan Gruyev, new Bulgarian ambassador in Poland; Gyorgy Biczo, Hungarian ambassador in Poland; Nur Ahmad Nur, new Afghan ambassador in Poland; and Brian Leon Barder, departing U.K. ambassador in Poland (5 May p 7); on 6 May he met with workers of the Rzeszow Transportation Equipment Plant (7-8 May p 4).

On 5 May, Jan Glowczyk, Politburo member and Central Committee secretary, attended a function in the Soviet Embassy in Warsaw to mark 77th anniversary of PRAVDA (6 May p 5).

On 4 May, Politburo Member Alfred Miodowicz and Miu Dobrescu, member of the RCP Political Executive Committee, signed an accord on the further development of cooperation between Polish and Romanian trade unions (5 May p 7).

On 9 May, Politburo Member Zygmunt Muranski attended the Katowice function to pay homage to Polish and Soviet soldiers fallen in World War II (10 May p 3).

On 4 May, Politburo Member Marian Orzechowski chaired a conference discussing cooperation with international organizations (5 May p 2); on the same day he received Juergen van Zwoll, new GDR ambassador in Poland (5 May p 7); on 7 May he received a Mexican delegation for talks about issuing a joint publication about Polish-Mexican relations in 1918-1988 (9 May p 2).

On 6 May, Politburo Member Mieczyslaw Rakowski met with Herbert Neumayer, head of the Federal Press Service of Austria (7-8 May p 5); on 9 May he met with workers of the Kozienice power station in Swierze Gorne, Radom Voivodship (10 May p 2); on the same day he received Eric Bergbusch, Canadian ambassador in Poland (10 May p 2).

On 9 May, Politburo Candidate Member Gabriela Rembisz placed flowers at the Monument of Heroes in Poznan (10 May p 3).

On 8 May, Politburo Member Florian Siwicki paid a visit to retired Marshal Michal Zymierski in connection with Victory Day (9 May p 2).

On 4 May, Central Committee Secretary Andrzej Wasilewski attended a conference on book reading in Pezina, Szczecin Voivodship (5 May p 2).

Further Reportage on Visit of USSR's Gromyko

Ceausescu Gives Dinner

AU1605082588 Bucharest SCINTEIA in Romanian 14 May 88 p 1

[Text] On Friday, Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania, and Comrade Elena Ceausescu gave a dinner in honor of Comrade Andrey Gromyko, member of the Politburo of the CPSU Central Committee and chairman of the Supreme Soviet of the USSR, and of Comrade Lidiya Gromyko.

Within this framework, Comrade Nicolae Ceausescu and Comrade Andrey Gromyko continued their exchange of opinions on developing cooperation between Romania and the Soviet Union. In addition, they expressed satisfaction with the results of the talks they held these past few days.

Gromyko Visits GNA

AU1305134988 Bucharest Domestic Service in Romanian 1300 GMT 13 May 88

[Text] This morning, Comrade Andrey Gromyko, member of the Politburo of the CPSU Central Committee and chairman of the USSR Supreme Soviet Presidium, with the members of his accompanying delegation, visited the Grand National Assembly [GNA] headquarters. There he met with Comrade Nicolae Giosan, candidate member of the PEC of the RCP Central Committee and GNA chairman, and with a group of Romanian deputies.

During the meeting, the sides emphasized traditional Romanian-Soviet relations of friendship and cooperation. They also pointed out the decisive role played by the talks and understandings between Comrade Nicolae Ceausescu, RCP secretary general and president of the SR of Romania, and Comrade Mikhail Gorbachev, general secretary of the CPSU Central Committee, in developing these relations. In this framework, the sides briefed each other on the activity of the supreme legislative forums of the two countries for building the new society and on cooperation between Romanian and Soviet parliamentarians—as an important part of the overall relations between the Romanian people and the peoples of the Soviet Union. They expressed the joint desire to increase the role of parliaments and parliamentarians of the two countries in enhancing bilateral friendship and cooperation, in the interest of our peoples and to the benefit of the cause of socialism, progress, and peace in the world.

The sides also emphasized the need to further intensify the exchanges of experience between the GNA and the USSR Supreme Soviet, and the bilateral cooperation within the Interparliamentary Union and other international bodies. This is in order to increase our contribution to solving the problems currently facing mankind and to establish a climate of peace, security, understanding, and broad cooperation in the world.

Visit to Machine Tool Enterprise

AU1305171188 Bucharest AGERPRES in English 1614 GMT 13 May 88

[Text] Bucharest, AGERPRES, 13/5/1988—In the morning of May 13 Andrey Gromyko visited the Machine-Tools and Aggregates Enterprise (IMUAB) in Bucharest.

The guest was accompanied by Ion Stoian, alternate member of the Executive Political Committee, secretary of the CC of the RCP.

The distinguished guest was presented the enterprise's concerns for the broadening and diversification of machine-tools export, for the production of new types in collaboration with other countries' enterprises, stress being laid on the good relations established with relevant enterprises in the USSR, on the possibilities to further develop them.

At the end of the visit Andrey Gromyko met with the members of the working people's council of the enterprise. He appreciated the achievements of the workers at IMUAB and wished them new successes in their activity. Making a synthesis of his impressions over the visit, Andrey Gromyko signed in the visitors' book of the enterprise.

Lidiya Gromyko Visits Museum

AU1305171088 Bucharest AGERPRES in English 1618 GMT 13 May 88

[Text] Bucharest, AGERPRES, 13/05/1988—On Friday Lidiya Gromyko visited the ceramics and glass museum in Romania's capital.

The guest saw round the halls which display works of ancient and modern Romanian art from various regions of the country, European and oriental items of porcelain and faience, items of outstanding artistic value.

Talks With Ceausescu Concluded

AU1305193988 Bucharest AGERPRES in English 1851 GMT 13 May 88

[Text] Bucharest, AGERPRES, 13/5/1988—The official talks between Nicolae Ceausescu, general secretary of the RCP, president of Romania, and Andrei Gromyko, member of the Political Bureau of the CC of the CPSU, chairman of the Presidium of the Supreme Soviet of the USSR, concluded in Bucharest on May 13.

During that round of talks the course of the international situation was examined. Special attention was laid to questions related to the achievement of disarmament, of nuclear disarmament in the first place, the settlement of all interstate conflicts and litigious issues by peaceful means, through negotiations, the ensurance of a lasting peace on our planet.

Nicolae Ceausescu and Andrey Gromyko underscored the importance of the conclusions reached during the talks in connection with the further development of the manysided relations between Romania and the Soviet Union, for the benefit of the two countries and peoples, of the general cause of socialism and peace.

The talks passed in a comradely atmosphere of warm friendship.

It was agreed that the results of the visit and of the talks should be enshrined in a joint communique to be released.

Joint Communique Signed

AU1305194088 Bucharest AGERPRES in English 1847 GMT 13 May 88

[Text] Bucharest, AGERPRES, 13/5/1988—Friday, May 13, Nicolae Ceausescu and Andrey Gromyko signed a joint communique at the Palace of the State Council in Bucharest.

The ceremony was attended by full and alternate members of the Executive Political Committee of the CC of the RCP, secretaries of the Central Party Committee, members of the State Council and the government.

The officials accompanying the chairman of the Presidium of the Supreme Soviet of the USSR on his visit to Romania took part.

Gromyko Meets With Press

AU1405151388 Bucharest AGERPRES in English 1445 GMT 14 May 88

["Interview With Journalists"—AGERPRES headline]

[Text] Bucharest, AGERPRES, 14/05/1988—Saturday morning, before leaving Romania, Andrey Gromyko met with representatives of the Romanian press as well as with special envoys and foreign press correspondents accredited to Bucharest.

In the statement made on the occasion, Andrey Gromyko spoke about his impressions on the meetings and talks he had during his visit to Romania which, he said were numerous and all were friendly, occasioning exchanges of opinions. I had detailed talks with Comrade Nicolae Ceausescu, opportunities to once again survey the situation of the Soviet-Romanian links to the end of making the best of the existing reserves. We also exchanged opinions on a number of international issues, in conditions of a growing cooperation between our two countries.

We are of the opinion, the speaker went on, that we can do more than what it is done at present. As is known, one year ago, during Comrade Mikhail Gorbachev's visit to Romania understandings were covenanted pursuing the capitalization of the powerful potential the two countries have in developing bilateral ties. Our exchange of opinions confirmed both countries' wish to work so as, by joint efforts, the Soviet-Romanian links reach higher peaks. [sentence as received]

Referring to disarmament and peace questions, A. A. Gromyko said inter alia: During the talks I had with Comrade Nicolae Ceausescu we underlined the concordance of our countries' points of view on the settlement of the stringent disarmament issues. It is a very important aspect we appreciate it [sentence as received]. The Soviet Union and Romania have the same stand as regards the wish to work for progress towards a world free of nuclear weapons, of violence, overcoming the resistance, the opposition of those that cannot see a future without weapons, without dictate in international relations.

A. A. Gromyko stressed that the Soviet Union supported Romania's and Bulgaria's initiative regarding the creation of a nuclear- and chemical-weapon-free zone in the Balkans, seeing it as an outstanding contribution to strengthening peace in Europe.

In concluding his statement, the chairman of the Presidium of the Supreme Soviet of the USSR said: The Soviet Union and Romania have a rich experience in participating in international questions and both in bilateral cooperation and in their cooperation within the Warsaw Treaty and the CMEA. Both countries expressed their wish to develop their cooperation to mutual interest, in the interest of peace and socialism.

Visit Concludes

LD1405103688 Bucharest AGERPRES in English 0900 GMT 14 May 88

[Text] Bucharest, AGERPRES 14/5/1988—Andrey Gromyko, member of the Political Bureau of the CC of the CPSU, chairman of the Presidium of the USSR Supreme Soviet, ended on 14 may a five-day official friendly visit to Romania at the invitation of RCP General Secretary and President of Romania Nicolae Ceausescu.

Before leaving, A.A. Gromyko met with journalists in a press conference.

The official departure ceremony took place at the Otopeni Airport where the distinguished Soviet guest was seen off by President Nicolae Ceausescu.

The official aircraft took off at 11.30 a.m. local time.

Departure Ceremony Described

AU1405123788 Bucharest AGERPRES in English 1122 GMT 14 May 88

["A. A. Gromyko Leaves Bucharest"—AGERPRES headline]

[Text] Bucharest, AGERPRES, May/14/1988—The official visit of friendship paid to Romania by Andrey Gromyko, member of the Political Bureau of the Central Committee of the Communist Party of the Soviet Union, chairman of the Presidium of the Supreme Soviet of the USSR, as guest of Nicolae Ceausescu, RCP general secretary, president of Romania, came to an end on May 14.

The official guest's departure ceremony took place at the Otopeni Airport.

Nicolae Ceausescu and Andrey Gromyko, Elena Ceausescu and Lidiya Gromyko arrived together at the airport.

Numerous working people of Bucharest enterprises and institutions present there greeted the two leaders with lively and long applause.

Full and alternate members of the Executive Political Committee of the CC of the RCP, secretaries of the Central Committee of the party, members of the CC of the RCP, of the State Council and of the government, executives of central institutions, mass and public organizations, generals, other officials were present.

Romania's ambassador in Moscow and the Bucharest ambassador of the Soviet Union as well as embassy staff were present.

The departure ceremony started with the presentation of arms by the military guard. The state anthems of the USSR and Romania were played. A 21-gun salvo salute was fired.

Nicolae Ceausescu and Andrey Gromyko reviewed the guard of honour.

Andrey Gromyko and Lidiya Gromyko then took leave of the Romanian officials who were there to see them off.

Romanian and Soviet pioneers presented Nicolae Ceausescu and Andrey Gromyko, Elena Ceausescu and Lidiya Gromyko with bunches of flowers.

President Nicolae Ceausescu and Elena Ceausescu took leave of the Soviet officials who accompanied the chairman of the Presidium of the USSR Supreme Soviet on his Romanian visit.

By the plane ramp, President Nicolae Ceausescu, Elena Ceausescu warmly took leave of Andrey Gromyko and Lidiya Gromyko.

At 11:30 the official aircraft took off, making for Moscow.

Media Commentary on Upcoming Vote of Confidence

Other Delegations 'No Less Harsh'

AU1305195388 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 13 May 88

[Nebojsa Petrovic commentary]

[Text] It is perhaps to the journalists' merit that the statements of Slovene and Croatian representatives demanding the resignation of the FEC, being the most attractive, were the only ones to appear on the newspapers' front pages and to top television and radio programs. For their assessments differ from those made by others only in this final conclusion. Statements made by the representatives of Macedonia, Montenegro, and Kosovo, for instance, are by no means less harsh when the FEC attitude toward the fund for the underdeveloped and covering losses resulting from different dinar exchange rates in these three federal units are concerned. The same applies to statements by Serbian and Vojvodina delegations when electric power and agriculture are discussed. For the sake of objectivity, this commentator advocates the thesis that the whole point of the debate that is to be held tomorrow and the day after tomorrow should be to answer the following question: What if Mikulic's government does fall over this weekend? Will a new FEC be able to guarantee and how will it be able to guarantee the concrete realization of that to which all governments and not just this one pledged allegiance? That means market economy, increase in production, restructuring [prestruktuiranje], and the realistic evaluation of labor, money, and social resources.

An assembly delegate said some time ago that he would be the first one to vote for the resignation of the present FEC if all officials in republican executive councils and representatives of other state and party organs and organizations, who certainly influenced the FEC decisions, were to follow the lead and depart from the scene. Would it be realistic to expect a somewhat better FEC than the previous ones have been, the ones who, honestly speaking, as a rule had their mouth full of market economy and hands full of administrative measures with which they systematically choked any entrepreneurial or profit enthusiasm in this same economy? If that good old saying is correct that a given sociopolitical system reproduces, that is, elects to important posts people who will preserve its basic values—and this has been confirmed many times in history—then both basic orientations that have gained full support in the Assembly to date can be considered incomplete because they obviously fail to give the necessary results. In a legal state, a country in which everybody is responsible for his work and where distribution of authority is clear, the resignation of the FEC, which during its 2-year tenure managed only to worsen the economic situation, would be the question of honor of the president and members of this organ. On the other hand, in the countries of real socialism, the will of the party elite would authoritatively evaluate the quality of the government's work. In a country that is searching for new solutions in the political and economic setup, where it is unclear what from the past will be used in the future and what is necessary for the present, what usually ensues is a combination of alien, incompatible experiences. Hence the pessimistic tone in this commentary in connection with the possible outcome of the 2-day assembly debate. Yugoslavia simply lacks a political and economic model that everybody has accepted and that is consistently implemented. Therefore only a radical political and economic reform can give an optimistic answer to the question of what one would gain with the FEC's resignation. Unfortunately, the constitutional amendments, the proposed measures on conducting economic policy after 15 May, and other announced changes of the economic system offer no guarantee that there will be any essential changes in the development of the economic and social crisis.

We can continue to admire the FEC's high productivity of laws and packages of measures that everyone uses according to his needs, and naively expect that the stepping down of one person and arrival of another will make some important changes, although almost everybody has been convinced of the opposite very many times. The present system of political relations and decisionmaking, contrary to wishes, uses somebody's individual skills primarily for its own reproduction.

'Unwilling Support' for Mikulic Noted

LD1405083788 Belgrade TANJUG in English 0118 GMT 14 May 88

[By Goran Ranitovic]

[Text] Belgrade, May 13 (TANJUG)—The Yugoslav Government is taking its heaviest examination on Saturday. For the first time since World War Two it will be decided in the government's mid-term in the Assembly of Yugoslavia on whether to give it confidence or to withhold it for the 2nd half of its four-year mandate.

Premier Branko Mikulic is to render an accounting of his government's two-year performance at a joint session of the two houses of the Assembly of Yugoslavia and explain his future plans. At separate sessions the Federal Chamber and the Chamber of Republics and Provinces will decide whether to give the premier and his ministers another chance for coping with the arrears of economic problems.

Under the operating procedure, the delegates are to first vote on a proposal from the delegation of the Republic of Slovenia for the item of confidence vote to be put on the agenda. If a majority of them accept this, it is to be decided whether voting is to be public or secret. So far, voting has ever been public. In a 3rd round of voting, the delegates are to decide whether the government is to remain in office or fall. A simple majority is needed in both assembly councils for the government to fall.

Just now, a thing certain is that the delegates of the Republics of Slovenia and Croatia will vote for withholding confidence from the Mikulic government as they are instructed by the assemblies of their republics to do so.

It seems, as against discussions so far, that Mikulic anyhow has a sufficient majority of prospective votes since all the assembly committees, despite sharp criticisms, have accepted the government's performance report.

Mikulic, however, has "an unwilling support" among a majority of the delegates, domestic commentators observed. Nobody is pleased with Yugoslavia's economic situation now and among the most responsibile for this is the government, to be sure. On the other hand, the delegates cannot deny the fact that the government's so far measures have received their support and approvals from Yugoslavia's top party and state circles.

At the same time, the delegates must wonder whether is wise to relieve the Federal Executive Council (Government) at this very moment when Yugoslavia is conducting substantial negotiations with its creditors, with the International Monetary Fund (IMF) first of all, on how to solve the problem of its debts and new credit arrangements.

Yugoslav commentators are pointing out that the crisis contains something positive, too. The fact that at last it has come to a debate and, probably, to a vote of confidence in the government means that decision-making on substantial matters regarding Yugoslavia's development now has come under much stricter criteria, a pondering in which Yugoslavia's public at large is taking part.

Mikulic will be in a position expected, if given a vote of confidence to go on, to draw important lessons from the hot May debate that he has to be much more careful when choosing his associates (he himself has heralded a government reshuffle for next September) as well as braver and more energetic while carrying out economic measures that must have an expert support and be market- and export-oriented.

The fact that the two most developed republics are withholding their confidence from the premier is additionally making his mandate more difficult, but he could use his rendering an accounting of performance next Saturday and Sunday - in case of being given another chance - for a resolute insistence on having the government measures carried out much more consistently than so far throughout Yugoslavia.

If he fails to observe such criteria, a question of confidence can be posed again as early as next autumn when the effects of the measures the premier should bring forward in the Assembly today will be discussed.

'Credibility' of FEC Examined

LD1305205288 Belgrade TANJUG in English 1939 GMT 13 May 88

[Text] Belgrade, May 13 (TANJUG)—For the first time in history the Yugoslav Assembly is to decide whether to raise the issue of confidence in the government at a session here tomorrow.

A motion questioning the credibility of the government of Prime Minister Branko Mikulic was launched during the examination of a report on the government's mid-term performance.

Delegates from the two most prosperous republics, Slovenia and Croatia, said on the occasion that the government had been unsuccessful in its effort to stabilise the economy. The government also came under fire for turning its back on the commitment to a market economy and for encouraging a redistribution of income at federal level through excessive use of red tape.

On the other hand, delegates from the remaining four republics and two autonomous provinces voiced some criticism but did not think the motion was necessary because the government's policy had not been implemented with equal consistency and discipline in all parts of the country.

The issue has recently divided members of the Federal Assembly committees. While some think that the deepening of the economic crisis justifies the motion, others insist that the responsibility should be shared by those who have sanctioned the government policy, i.e. the Assembly itself as well as other state and party organs.

Tomorrow, the government is to render account to the Federal Assembly on its performance and plans. A package of measures due late this month foresees the lifting of the price freeze and a liberalisation of imports and foreign exchange.

Since the principal aim is to bring down inflation, which ran at 170 percent last year, to 95 percent this year, the programme insists heavily on trimming expenditure with a simultaneous freezing of wages. The future of this programme depends on an accord with the International Monetary Fund (IMF), which provides for a 1.410-billion-dollar shot in the arm and holds promise of greater access to foreign credits.

However, the new programme has not been fully approved by the republics and provinces and has aroused great suspicion by the trade unions and the youth organisation, who fear that the poorest will again have to shoulder the burden of the crisis.

Under the Constitution, the Federal Assembly must carry out a mid-term examination to see whether to give the government the green light. So far, the question of

confidence has never been put before the Assembly. But given the state of affairs, the matter is no longer a routine affair and the Yugoslav public is eagerly awaiting the Assembly's verdict.

Assembly Views Responsibility of Mikulic, FEC

Mikulic Accepts Responsibility

LD1405131588 Belgrade TANJUG in English 1022 GMT 14 May 88

[Text] Belgrade, May 14 (TANJUG)—In Belgrade today, Yugoslavia's parliament met in session at which a confidence vote in Prime Minister Branko Mikulic's government is awaited to take place, for the first time in postwar history of Yugoslavia.

In his introductory speech, Mikulic did not avoid the responsibility of his cabinet for the country's difficult economic situation, but only to the extent of his constitutional competences.

He partly addressed the responsibility to the constituent republics and provinces which have large prerogatives in decision-making in what is the highly decentralized state.

Mikulic Addresses Assembly

LD1405145288 Belgrade TANJUG Domestic Service in Serbo-Croatian 0718 GMT 14 May 88

[Text] Belgrade, 14 May (TANJUG)—When the FEC took over its duty, there was a high level of agreement on the assessment of the situation in the country. It was expected at the time, on the basis of the 13th LCY Central Committee and the new medium-term plan, that we would begin a period of more stable economic growth. At that time, it was considered that the first stage of the long-term program of economic stabilization ended in 1985; that is, that the adaptation of the economic system to the demands of the stabilization program was completed and that in the second stage changes of a structural nature in the development policy would also follow.

With these words, FEC President Branko Mikulic opened his lengthy introductory report at today's joint session of both Chambers of the SFRY Assembly in connection with examining a report on the 2-year performance of the FEC. Mikulic added:

It turned out, however, that this assessment was incorrect, that we were mistaken, and that we can fully work out and realize the goals contained in the long-term program of economic stabilization within the framework of the existing constitutional solutions. Numerous changes were made in the economic system. Measures were adopted on the current economic policy in the first stage of realizing the long-term program of economic stabilization, while Yugoslavia was getting into an ever-deeper crisis. This was the reason why the SFRY Presidency initiated changes in the SFRY Constitution, thus creating conditions for a reform of the economic system not only on the basis of adhering to the objective economic laws and independence, but also the responsibility of economic subjects. And so, after many years, the conviction that we must carry out a radical reform of the economic system became a dominant factor.

Two years ago we undertook an obligation, among other things, to assess all the consequences of inconsistencies and opposition to the implementation of a strategy for the development of society on the basis of socialist self-management, bearing in mind that the most important levers of social progress and material development have weakened. We did this alongside drawing attention to the current economic and general social situation in the country and while stressing the orientation toward consistently implementing the long-term program of economic stabilization.

We have opted to encourage the development of producing those material goods and services, which contribute to the accelerated growth of production and exports, and speedy structural changes, as a prerequisite for overcoming economic stagnation and curbing inflation.

We expected to curb inflation, as the biggest economic and general social evil, in the first place by intensifying production and exports, by increasing supply, by bringing consumption down to the limits of available income, by consolidating the economy and banks, by carrying out a moderately restrictive monetary-credit policy, and by toughening financial discipline.

At the time it was also stressed that overcoming ideological uncertainties and consolidating ideological, political, and action unity was also a prerequisite for the FEC's successful performance.

Unfortunately, many presuppositions we had counted on were lacking. Also, numerous restrictive factors prevented us from getting out of the crisis. At the same time, while we were working on the long-term program of economic stabilization, the situation in the Yugoslav economy was worse and disturbances in social reproduction were greater than we had assessed. We also had political and other restrictions, in particualr those that are a consequence of inadequate systemic solutions and stagnation in the development of self-management. There is a firm interdependence between the nature and the effect of these and other restrictions.

There is also great awareness that inflation is our fate, that we can and must live with it, and that it is therefore the main target of many people to increase the price of

their products, not taking into account the serious consequences of inflation's destructive effect. State intervention was often present, both in the economy and the market, as a result of the logic of necessity. This has been rightly criticized.

The present structure of our economy is also restricting the way out of the crisis. It has for many years been at variance with the changes which, under the influence of a speedy technological development, are taking place in the world. Its obsolescence, inflexibility, and inefficiency are among the basic restrictions toward overcoming negative tendencies in developing and resolving the existing problems in the balance of payments and in development.

Since the beginning of the seventies, contrary to tendencies in countries with a similar or higher level of development, Yugoslavia has been increasing the participation of the private sector. This at the expense of the services' sector (from 43 percent in 1984). While in the world the economic structure is changing in the direction of an ever-increasing participation of branches, with stress being placed on research and development, in Yugoslavia as much as 60 percent of the social product is created in nondynamic branches that have a declining tendency in the world.

The causes of such a situation and tendencies in the economic structure should be sought in the inadequate socioeconomic system, the nonmarket orientation of our economy, its isolation from foreign countries, and the remnants of an obsolete (etatist) system of planning.

Economic trends in the past 2-year period, as before, were not one way, either globally or judging by specific categories. This also reaffirms the fact that the processes of stabilization have not become established and that oscillations were the result of (?either) favorable market trends or of measures already undertaken, whose effect is becoming weaker with time. In this way we achieved, in 1986, a relatively high growth of social product, industrial and agricultural production, and exports to convertible markets; and a balance of payments surplus. We have regularly serviced our debts to foreign creditors. The market was relatively well supplied. We attained high and realistic growth of general and joint consumption and personal incomes; a realistic growth of investment into basic funds after a long-standing decline; and increased employment. All this is overshadowed by a high rate of inflation which, although somewhat lower than in mid-1986 under the influence of the undertaken measures, still recorded a high increase (92 percent measured by retail prices). In 1987, however, apart from a significant growth of exports—in the first place to the convertible market—the bringing into balance of foreign trade exchange, the growth of foreign currency earnings from tourism, a balance of payments surplus, and increased employment, all the other indicators were more unfavorable than in the previous year.

These tendencies of last year did not change during this year either, but it is realistic to expect that the envisaged growth will be achieved in agricultural production, and, for the first time, a surplus in the trade exchange with foreign countries.

In mid-1987, the Chamber of the Republics and Provinces of the SFRY Asseembly requested a complete program for curbing inflation during the examination of a report on economic trends in the first half of 1987. Such a request was also submitted to the FEC by the SFRY Presidency. The FEC has decided, on the basis of its own assessments and proceedings from these requests, to prepare a program of measures and activities to curb inflation and to stabilize the economy, which the SFRY Assembly accepted after some alterations. Orientations from the program were the basis for the 1988 resolution.

At the same time as the adoption of the program, intervention measures in the sphere of prices, general, joint, and personal consumption were passed. A monetary-credit policy and a policy on a realistic exchange rate for the dinar were also adopted. At that time we noted that without these measures inflation would be 220 percent by January 1988. We have therefore decided on intervention measures to prevent even more serious disturbances in the trends of social reproduction, in particular on the market, and in order to create a "time break" in which the orientations from the program of measures would become operational.

We quoted the following as presuppositions for successfully realizing the program of measures and activities: That we would carry out all changes indicated in the theses for the development of the economic system by sticking to a course of realistic evaluation of production factors and market orientation; that we would gain support from creditors for realizing a program for consolidating the foreign debt that the SFRY Assembly adopted together with a program of measures for curbing inflation and stabilizing the economy; that the consolidation of internal debts would start; that we would pass all regulations on which the realization of a part of the program based on regulations depends; that general social actions would be organized for realizing the long-term program of economic stabilization and a program of measures and activities for curbing inflation and stabilizing the economy. Adopting the program, the FEC concluded that a program would be passed simultaneously for the ideo-political activity of the LC and other sociopolitical organizations. It was noted at the time that this was an obligatory prerequisite for the successful realization of the program. However, this has not yet been done. We feel the consequences of this, especially in recent months and weeks.

The consolidation of the foreign debt on a long-term basis, as we established, represents an essential prerequisite for economic stabilization. This is because, as early as mid-1987, we were again faced with serious

difficulties on the maintainence of the country's external liquidity and a high level of net outflow of accumulation. It soon turned out that our assessments on overcoming the relations that we then had with the IMF and on more intensive reduction of foreign debt were not realistic and that this was more harmful than useful. For this reason we started in mid-1987 to work on the long-term consolidation of our debts to foreign creditors. Over 6 months ago, consultations began with the IMF on our future relations. A condition for negotiations with other creditors (governments and commercial banks) was a successful outcome to negotiations with the fund on the 1-year standby arrangement.

The servicing of the external debt was particularly difficult in 1986 and 1987. In 1986 the balance of capital and interest rates, including short-term credits, was in the red to the tune of $3.076 billion, and in 1987 to the tune of $3.072 billion (everything calculated in current prices). If we were to add to this our outstanding bills from countries with the clearing way of payment [as received], which at the end of 1987 amounted to $1.429 billion and which became due, and uncollected bills from developing countries amounting to $600 million, we reach the sum of over $5 billion. This provides a more complete picture on the causes of the numerous difficulties we are faced with. Such a large outflow of domestic accumulation has, quite understandably, caused stagnation in the growth rate, disturbances on the market, a high rate of inflation, and has imposed a need for immediate interventions by the state in production and on the market, the re-examination of possibilities and conditions for reorganizing Yugoslavia's external debt, and the collection of our bills from other countries.

On the basis of our program of measures and activities to bring down inflation and stabilize the economy, the resolution for this year, and the agreement on the 1-year standby arrangement with the IMF, we prepared the measures to implement the 1988 economic policy after 15 May. I would like to stress that the measures we have agreed on with the IMF are the measures that we ourselves laid down, with the result that their intensity is somewhat greater, in particular with regard to implementing a policy of price liberalization, imports, and the functioning of the foreign currency market under all these three bases. However, this will make it possible for us, despite all the initial difficulties, to considerably abandon administrative intervention in the price and import area and also the application of Article 110 of the foreign currency law. The expenditure, the dinar of exchange policy, and the monetary-credit policy are being adapted in accordance with the protected rate of inflation at the 90-95 percent level.

This program is our own orientation. It has not been imposed on us by anybody. I will recall that in the program of measures and activities to bring down inflation and to stabilize the economy, in addition to a high level of liberalization on imports, the application of all three criteria and of the law on foreign currency operations in conducting the dinar rate of exchange policy, of the restrictive monetary-credit policy, of the criteria for the formation and liberalization of prices, we also proposed criteria to reduce general and joint expenditure in 1987 and in 1988 and a possible growth of gross personal income per employee—below the rate of the nominal growth of income—which was to increase the accumulation in the economy. In essence this is what is being proposed now. However, this was rejected in the discussions on the program in the Assemblies of the Socialist Republics, of the Socialist Autonomous Provinces, and finally in the SFRY Assembly. The mood prevailing then was not in favor of implementing such a program. Why, therefore, are there present claims that somebody has imposed something on us and that we are accepting the market-operating conditions under pressure?

Why is the fact lost sight of that—without the restructuring of our foreign debts and appropriate financial support from abroad—it would not have been possible to undertake comprehensive measures along the line of liberalizing prices and imports or to abandon the application of Article 110 of the law on foreign currency dealings.

We noted a long time ago that the weight of our internal debt was equal to the debt of our commitments vis-a-vis the foreign creditors. We now believe this is an even bigger problem because we have no other creditors except ourselves for our internal debts, and our material possibilities are limited. The solution of this problem, too, is an essential condition for the economic and market criteria to be felt more fully.

The proposed measures, due to be introduced shortly, considerably reduce administration and contribute to the necessary derregulation of economic life. At the same time they create possibilities for a reform of our economic system on the basis of a realistic evaluation of the factor of production and of the respect for market criteria. For instance, the liberalization of prices and imports and the abandonment of the application of Article 110 of the foreign currency law will constitute a major step in the direction of the deregulation. The next big step will be adoption of the new accounting system. The existing system has about 500 positions in the actual state and successes balance sheet; the Commission for the Reform of the Economic System assessed that this could be reduced to about 80 positions. Changes along this line are also possible in other sectors of the system.

The measures that we have undertaken, in addition to positive effects, can have negative effects as well. However, everything will depend on us, on the way we relate to the implementation of the measures and especially to the demand that inflation should be brought down. It is high time it was understood that the demand to bring down inflation is not our last resort, although this is the impression one could gain from the reports and discussions at many meetings.

The consequences of exceeding the top rate of inflation would be extremely serious. If we were to manage to keep the inflation at the 90 percent level, personal income would not be really reduced, the degree of restrictiveness of the monetary-credit policy would be tolerable, and general joint expenditure would grow more slowly. However, the degree of restriction would be less than in the case of a breakthrough of the target rate of inflation. The material basis of associated labor would get stronger, we would export more, and so on. However, if this ceiling were to be exceeded the adverse effects would rapidly multiply. In that case real wages will be considerably reduced, social charges increased, and the level of restrictiveness of the monetary-credit policy will constantly go up, and with the result that the problem of dinar liquidity will worsen. This would have an adverse impact on production and exports, economic activity would abate, and we would enter a period of even greater stagnation.

One must not labor under the illusion that the measures that we shall introduce in many respects are not rigorous and difficult. On the contrary. However, any alternative is even more difficult and worse—both in terms of its direct consequences and its prospects. It is therefore necessary to make people realize fully that runaway price increases will ultimately affect everybody, and this means also the producers who will be eager to increase the prices of their products.

We noted this on several occasions, but there was a lack of readiness to change attitudes and to launch into concrete action. It is a fact that, for Yugoslavia, political will and determination to get out of the crisis are the condition of success at this time. I venture to say that more will depend on this than on the material conditions. It is useful to recall the experience following the 1965 reform, whose implementation, to all intents and purposes, ceased after 2 years when we came face to face with the first difficulties in restructuring the economy. As against this, in 1982 and 1983 we understood the situation in which we found ourselves and in which we have to put up with the shortages of specific articles. Now we are not in such a situation.

However, in entering very radical reforms we must be aware that we will not carry them through easily and painlessly. This is why I emphasize that the elimination of the disruptions in social reproduction and in surmounting other problems that we are facing, in addition to a consistent system and economic policy, requires far greater responsibility in their implementation, including periodic self-sacrifice, time, patient democratic work, creative effort, the introduction of modern work organization and motivation, and not the leveling-out policy and state red tape. It requires the elimination of the causes of division and of encapsulation, and consolidation of the awareness that we can successfully move forward only if we act together on the basis of socialist self-management. Any possible other orientation and conduct can only deepen the crisis and foment dissatisfaction and, objectively speaking, work to impose solutions that are completely alien to the socialist self-managing character of our society.

In order to prevent that we have to, among other things, clarify our position on the restrictions of a doctrinal and categorical nature, that is to say, on outstanding ideological and political issues and dilemmas, overcome not only the long-inherited errors but also more recent errors, and also to rid ourselves of the dogmatic attitudes that we ourselves have formed. This requires a democratic, well-argued, professional, and highly qualified dialogue. Any form of political labeling and arbitration can be a serious threat to that.

The question of social viability of the program of economic measures, which will come into force after 15 May, was raised in all the consultations that were carried out. This question was also presented in the discussions in the working bodies of the SFRY Assembly, and also during the last session of the LCY Central Committee. The Federation of Yugoslav Trade Unions, in endorsing the proposed economic policy after 15 May this year, also established concrete social policy draft measures. These proposals, in our assessment, represent a good basis for the social policy and social welfare program of measures upon which the initiated work with the executive councils of the assemblies of the socialist republics and socialist autonomous provinces will continue. This work proceeds from the jurisdiction of the Federation and of other sociopolitical communities in this area, as established by the Constitution. The application and implementation of these measures brook no delay. The earlier mistakes of abandoning the implementation of economic reforms because of the absence of an adequate social policy should not be made again. The conditions for these measures to be taken again would be increasingly difficult. Of course, the issues of social policy and welfare cannot be resolved in conditions of economic stagnation, either. Social security for the working people, our population, and our society as a whole can be secured only through increased production and more efficient work. All the changes we are undertaking now should operate in this direction.

The FEC president devoted a considerable portion of his speech to the reform of the economic system. The FEC Commission for the Reform of the Economic System—he said—has already drafted the first version of the theses on the basic directions of the changes in the economic system, from which it emerges that radical changes must be made in our economic system. Very significant changes in relation to social ownership have been proposed. Their substance is that the resources in social ownership should be defined as values (social capital), which must be renewed and augmented.

Polycentric etatism, according to Mikulic, originated and built its power on the shortcomings in the use of social ownership, and this had negative consequences for

the development of self-management production relations. Without the elimination of these shortcomings in the existing concept of social ownership, within the ambit of which about 85 percent of the social product is created, and without an essential change in the conduct as regards the handling of the social capital, a faster and more efficient way out of the economic crisis is impossible. Furthermore, the introduction of pluralism of the forms of ownership is proposed—social, state, mixed, cooperative, and private ownership—with the proviso that social ownership would dominate, go from strength to strength, and form the basis of production relations. This will create conditions for the development and involvement of additional resources to be accumulated by citizens, and for encouraging their initiatives and entrepreneurial spirit. It should be made possible for them to invest their savings directly into the collectives through bonds and shares. Therefore the stock market, the right to take part in the profit (and the risk), and the right to take part in shaping business policy have to be resolved legally.

The introduction of significant novel features is envisaged also in the system of extended reproduction, Mikulic added. First and foremost it is suggested that to use social resources more rationally, to renew them (through realistic amortization), and increase a specific accumulation parameter, should be introduced either in the form of the so-called price of the usage of social resources, or as a rate of minimal accumulation on the business fund.

A new program is proposed in the area of distribution and division of income. Its new features are basically reduced to this:

— The introduction of profit as the basic category of distribution and as a real yardstick of success in operating social resources in whose fastest possible growth both social communities and workers are interested;

— The introduction of minimum accumulation, which is taken out of profit before its distribution as follows: a portion to supply general and joint requirements, a portion for personal income on the basis of the control and management of social resources, and a section that ensures the planned further increase of the business funds and of the reserve funds;

— The implementation of the stands of the 24th session of the LCY Central Committee on personal income on two bases: current work and management results and the management of social resources.

These and other changes will make it possible, Mikulic stressed, to remove many present shortcomings in distribution that pose a threat to extended reproduction and infringe the principle of distribution according to the amount of work done. Workers are motivated to step up general profit and overall accumulation on the basis of extended reproduction of the material basis of labor, while society is interested only in the development of good and progressive collectives that contribute to material social progress.

Prices should be formed freely on the market in a supply and demand situation. A direct price control would be an exceptional measure. The system of compensations, including subsidies to manufacturers in specific industrial activities, also belongs here, in the wider sense. However, only those effects of the measures have to be compensated for which run counter to the established objectives of economic policy. Those who establish the objectives and pass the measures have the duty to evaluate this, the FEC president said.

The basic objective of the changes proposed in the system of planning is to establish between the market and the plan, as a corrective instrument a harmonious and complementary relationship in guiding the material and social development, and substantially to promote the efficiency of both the market and social planning. Mikulic stressed that radical changes are proposed in the system the way associated labor is organized. It is proposed that the Constitution and federal legislation—that is, state law—should regulate in its totality only the status of the work organization as the basic economic and market subject and that (with the exception of basic rules) all other possible forms of organization should be left ot the practice of associated labor.

A radical deregulation in the control and management of social resources, the abandonment of consensus in decisionmaking in associated labor, the freeing of workers councils' commitment to concern themselves with current and daily business, and the implementation of their role in laying down development and business policy are also proposed. At the same time, the role and the responsibility of the management organs in carrying out the agreed business policy will be affirmed.

The general consensus of opinion is that the taxation and duty system suffers from exceptionally major shortcomings and that radical changes are required in virtually all its elements. It is proposed, Mikulic explained, that the reform in this area should be channelled in the following direction: definition of the taxation system and taxation policy as an attribute of the unified Yugoslav market; redefinition of the way sociopolitical communities, especially the Federation and the Yugoslav People's Army are financed; review of the relationship between direct and indirect taxation; the role of the tax contribution as an element of financing joint needs and of the quest for the most suitable solutions and their coordination within and between the republics and provinces; the improvement of the existing turnover tax system and the review of the possibility of introducing a value-added tax; the changeover to the system of taxing the profit of work organizations; establishing a balance between the taxation of the private and social sector; promotion of the system of taxing the property and the income from

property; and the replacement of the existing forms of taxation of the citizens by a new comprehensive form of taxation of their overall income.

It is proposed that the basic changes in the monetary-credit and banking system and in some segments of the system of financing work organizations, Mikulic said, should be carried out in the following directions:

— That the possibility should be open for direct financing of work organizations by other organizations or citizens by the issue of shares. Thus constant resources would be formed from external sources that will lead to stabler financing and reduction of fixed credit commitment;

— That the problem of liquidity should not be resolved in various indirect ways (the law on ensuring payments, accounts for services rendered, legal regulation concerning the establishment of the working capital and the like) but that direct economic compulsion be established and the principle of liquidity be strictly respected. In this way factors with cash flow problems would be prevented from engaging in business activity;

— That the losses should be treated in a different way by making it difficult to cover the losses by others and by making it possible to write off the business fund that would soon create a situation in which it will be impossible to operate at a loss over a long period of time;

— That, in order to strengthen motivation and economic compulsion of business banks, the principles of banking activity be strictly respected and the following should be prescribed: 1. Overall business activity (formation, management, distribution, size of business activity, the risk) should be tied up with the amount of investments in the funds of the banks; and 2. it should be possible for citizens, as well as foreigners and legal entities, to be investors in bank funds and to be able to buy stock (shares) to be issued by the banks;

— That the Yugoslav National Bank should participate in money market operations. This will be the new channel for the primary money issue, it will replace some of the present "gray money issue" channels;

— That a greater level of independence of the Yugoslav National Bank be introduced, in the sense that the Yugoslav National Bank will directly propose to the SFRY Assembly the monetary policy objectives and tasks and legal provisions pertaining to its jurisdiction;

— That the Yugoslav National Bank be relieved of the burden of its functions of providing subsidies, bonuses, incentives and consolidation of the specific sectors of the economy and that, where justified, the solutions should be found in the framework of the economic functions of the federation;

— That the balance sheet of the Yugoslav National Bank be "cleansed" of the rate of exchange differences that should be returned to the business banks and the state. The Federation should add its portion to its credit balance and have the opportunity of introducing a special tax to include the inflation (debtor) loss of other subjects so as to service its credit vis-a-vis the National Bank;

— That the market of the (inter banking) money should be institutionalized on a new basis and that a stock (capital) market be set up;

— That the consolidation of legality in the financial system be ensured and that in order to achieve this the authority and the responsibility of the federal organs and organizations be stepped up for the control over the implementation of federal legislation.

In the accounting system too, according to Mikulic, several major and radical changes will ensue so as to free this segment of the system, increase its proven possibilities, and secure a realistic accounting system showing the results of business operations and of maintaining a realistic value of social property in inflationary conditions. What is being proposed is that the work organization, and not the basic organization of associated labor, should be the basic place of accounting vis-a-vis our society, and should be responsible for drawing up balance sheets and financial reports and submitting periodic accounts and final accounts to the Yugoslav Social Accountancy Service.

A pattern of income and businehss results (profit) accounting should also be introduced.

There are no dilemmas about the basic (lasting) solutions in the system of economic relations with foreign countries set out in the system laws of 1985. The incorporation to them of some new and better solutions, such as those relating to joint ventures, the buying up of our debt, and related questions are proposed. The problem, however, is in the "interim solutions" and the practice that has developed around them. For the purpose of emerging as soon as possible from this situation, it is proposed, among other things, that the full functioning of a unified foreign exchange market, in which the uniform price (rate) of foreign exchange is formed in accordance with market laws, be established.

This is also the basis for the establishment of a uniform value system throughout the country. Besides the rescheduling of the debts and the securing of "fresh" financial resources and possibilities will also be created and options elaborated for the greater and more efficient import of capital on a non-credit basis, including the possibilities for finding innovative solutions for the repayment of our debts. Mechanisms will be elaborated and applied to significatnly increase inflow and purchases—in other words the productive investment—of the foreign exchange funds of citizens. Lasting quality

sources of funds for financing export deals will be proposed, especially the export of investment projects and capital goods through the Yugoslav Bank for International Economic Cooperation.

The concept of an open economy will be implemented by the constant liberalization of imports, the functioning of the foreign exchange market, the abolition of various forms of decisionmaking by manufacturers on the face of the import of goods from their range and by the introduction of healthy domestic and foreign competition in the market.

The FEC has approved a draft law on joint ventures with foreigners. According to Mikulic, its basic characteristics are: 1. making it possible for foreigners to invest funds in domestic organizations of associated labor and with them jointly set up mixed enterprises and financial organizations throughout the territory of the SFRY, and their own enterprises in specific tax free zones; 2. the granting of the right to the foreigner to take part in the management of the joint enterprise; 3. guaranteeing to foreigners the right to repatriate his investment and transfer profits, as well as the right to ownership of invested funds. The position of workes who work in such enterprises, in view of their specific features, will be settled in a special way.

Part of these system laws can be approved before changes in the Constitution. However, others cannot be adopted before these changes. In view of the initiatives for greater changes in the Constitution, Mikulic observed, the FEC points out the danger of delay in the adoption of the amendments, something that would impinge on the timely adoption of these systemic laws and their application as from 1 January 1989.

We insist that as this session a conclusion be adopted on shortening the timescale for the adoption of the proposed amendments as a whole, and if this is not possible, then that all the amendments relating to the socioeconomic system be adopted in the proposed timescale. We propose, Mikulic added, that the procedure for the adoption of these amendments be completed at the end of September instead of on 28 November, the date at which the adoption of the amendments as a whole was envisaged. This will not threaten the time needed for the work of the constitutional commission, nor for debates and decisionmaking in the assemblies of the republics and in the SFRY Assembly.

The FEC President went on to speak about the debate that has been going on in working bodies of the Chambers of the SFRY Assembly on the report on the FEC's 2 years of work. In this part of his speech he said the following:

The FEC respectfully accepts all the constructive criticisms of its work as well as suggestions and proposals that have been given to us. We will take them into consideration in our future work. Allow me, too, to say something along these lines.

Obviously a far greater direct "contact" is necessary between the federal organs and the FEC, and organizations of associated labor, though not primarily in the framework of the Yugoslav Chamber of Economy and talks with representatives of the economy in the FEC. It also transpired that many solutions are of a systemic character, and must be tried and tested in economic policy before they are introduced. In this way failures would be avoided, such as occurred, for example, in individual solutions for the accounting system, and the need for frequent changes to individual regulations. Although we have been under the constant pressure of time and accumulated problems, this nevertheless cannot be a justification for the fact that the practice of prior checking of draft laws was not more developed. Furthermore, it is certain that organs of the federal administration, weakened in terms of the number of experts within them, and treated inappropriately by society, were not in a position to provide a reliable and worthwhile expert foundation for the elaboration of systemic laws and the drafting of corresponding economic policy. For the purpose of involving more scientific and specialist workers from the whole country in this, specialist councils attached to the federal organs of the administration were formed. However, these were not exploited sufficiently, something that is also a failing.

We believe that we made a mistake in not opposing more resolutely those pressures and conditions laid down on the occasion of the adoption of individual acts which, objectively speaking, threatened the realization of specific goals. It was demonstrated that this was necessary, particularly in the debates on the draft program of measures and activities for curbing inflation and stabilizing the economy. The concessions made at that time rendered this program inconsistent and ineffective in curbing inflation.

The FEC is justified in having criticism directed at it for proposing the adoption of specific acts in accordance with shortened or urgent procedure in the Federal Chamber, or by using restricted time periods in the Chamber of Republics and Provinces. In specific cases, this came about as a result of outmoded work practices by the federal organs of the administration, though the coming into force of these regulations should have been secured as soon as possible. We are prepared to accept criticism and responsibility for these failings. However, a number of these acts had to be carried through in accordance with this procedure because—in order to prevent the possibility of a way being found around the measures announced—we had to use the shortened procedure. This is a reference to the intervention laws on the restriction of consumption, and on measures in the prices sector and elsewhere. It is well-known that despite the shortened time periods for consideration and adoption, and the duration of the procedure, nevertheless there were "breaches" in the content of the proposals and a reduction in the effects of these measures.

In the speech I made in the SFRY Assembly on the occasion of my election as FEC president, I mentioned

some presuppositions that I calculated would be fulfilled, and on which also depends the successful work of the FEC. For example, I stressed that to realize the executive functions of the FEC it would be necessary and very useful if the SFRY Assembly, in adopting laws and other acts that are established by policy, were at the same time to adopt guidelines for the FEC and the federal organs of the administration that would elaborate in more detail the tasks of established policy and the way in which to implement it. This would of course have been a commitment of the FEC and the federal organs of the administration, and it would have been useful to all others who apply the law or oversee its implementation. However, these expectations remained almost entirely unfulfilled. I am convinced that the lack of such guidelines had a certain impact on the way in which established policy was implemented.

I then expressed the expectation that political and other organs of the republics and autonomous provinces turn with their initiatives above all to the SFRY Assembly, and not predominantly to the FEC and federal organs of the administration, and that on this basis the SFRY Assembly would issue guidelines to the FEC and the federal organs of the administration for their involvement in resolving these demands. Instead, there was a continuation of the practice whereby all, including the most important questions, are directed toward the FEC and the federal organs of the administration.

Furthermore, I pointed out the need for the greatest possible autonomy of the federal organs of the administration and their direct relation toward the SFRY Assembly, and for them to come out from under the "wing" of the FEC. Instead of this, from the SFRY Assembly as well, and especially through delegate questions and conclusions of working bodies of the SFRY Assembly, all or mainly all points continued to be raised with the FEC, something that without doubt diminished the accountability of the federal organs of the administration directly to the SFRY Assembly, and "drowned" the FEC with unnecessary work in addition to the large amount of work that it must otherwise perform.

In the last 2-year period, at the suggestion of the FEC and with the assent of the SFRY presidency, the Chamber of Republics and Provinces has adopted nine laws on temporary measures. These are mainly laws that relate to the field of finance, which do not have a general character, and which dissolve certain already established relations. In all cases, all the conditions regulated by the Constitution for the adoption of laws on temporary measures were fulfilled and were adopted in accordance with the procedure laid down by the Constitution and the rulebook of the SFRY Assembly. Furthermore, in all these cases there was a continuation of the procedure of reaching agreements. In addition, the laws on the temporary measures were replaced by laws adopted in accordance with regular procedure. The FEC believes that it is not good that there is a delay in the continuation of this procedure and that it is expected only of the FEC that it put forward lasting solutions. In the opinion of the FEC, working bodies in the Assembly ought to be engaged on this, and this should have been done immediately on the adoption of the intervention measures.

The FEC has been informed indirectly that a standpoint has been established in the Assembly of the SR of Slovenia and in the Assembly of the SR of Croatia that conditions laid down in the Constitution have been achieved for raising the question of confidence in the FEC and that the delegations of those Assemblies have been given the task to propose, in the Chamber of Republics and Provinces, the raising of the question of confidence in the FEC. This is the constitutional right of the delegations and delegates in the SFRY Assembly.

I feel that it is necessary in this speech to consider those proposals, starting from what was expressed in the stance of the Slovene Assembly as a basis for putting the question of confidence (we are already acquainted with the results of the discussion in the Croatian Assembly, from the press).

The FEC considered at a session the opinion of the Slovene Assembly that was sent, in a document of 6 May 1988, to the Chamber of Republics and Provinces of the SFRY Assembly, and assessed that it could accept neither the stances nor the assessments that stem from that opinion.

That statement of opinion notes, among other things, that: In the past 2 years of the FEC's work the economic situation has not improved, the activity of economic and market legality has not been strengthened, the independence and economic responsibility of organizations of associated labor has not been increased, and neither has the self-managing position of workers in organizations of associated labor in the economy and social activities; that the efficiency of economic activity has decreased; that economic arbitrariness and interventionism have increased; that the responsibilities of the state have been strengthened at the expense of self-management and the activity of the market, particularly on the level of the Federation; that a strategy of an export economy open to the world did not predominate.

The assertion was also made that the delegate assembly system has qualitatively regressed, because of the poor quality of proposals for solutions, an actual lack of respect for its role, and attempts to transform it into a mere verifier of the proposed policy of the FEC. It is further stated that inflation has passed all acceptable limits, and this already essentially threatens the activity of the system of socialist self-management, as well as the role and responsibility of the socialist republics and socialist autonomous provinces in relations in the Federation. For all this, the Assembly of the SR of Slovenia claims, the FEC is responsible, because it is the proposer of laws and measures of economic policy and the exponent of the agreed policy.

The FEC does not deny that the actual situation in society is, basically, as described in the opinion of the Slovene Assembly. In some respects it is even more serious. But, one must answer the question—is all that really a consequence of the policy that the FEC, over the last 2 years, has proposed and carried out? It does not take much argument to arrive at the conclusion that such qualifications are untenable. Because, if this were accurate, it would be a complete disqualification—not just of the role of the FEC in that sphere where it acts as a proposer of policy—but of the role and results, above all, of the SFRY Assembly, which passed the laws and other measures, and thus established the policy and the work of the republican and provincial assemblies, with whose agreement they passed those laws and other documents. While not denying that on certain issues there were also shortcomings and wrong moves, whether in what the FEC proposed, or in what the SFRY Assembly, outside the proposals of the FEC, adopted, it should nevertheless be stated that in the adopted laws and other measures, a wrong policy was not established in the essential issues. And as to why we do not have more positive effects from this policy—apart from inconsistency in carrying it out, which I will talk about separately—I have already cited numerous reasons in the previous part of this speech: from objective material and other limitations to ideopolitical obstacles and shortcomings in the political and economic system.

It is true that in the preceding 2-year period there has been too much involvement by the state in economic life, but not only on the federal level. This, in fact, mostly applies to the so-called intervention measures, which include the laws passed on the basis of Article 267 of the SFRY Constitution, and regulations on measures for direct price control.

As far as the intervention laws are concerned, the following should be stressed: The intervention laws related exclusively to the sphere of expenditure—general, collective, investment, and personal.

All those laws were accepted and passed by the Assembly at the proposal of the FEC. Without defending each individual decision and all the criteria from those laws, it must be pointed out that they are the consequence of breaching policy in the sphere of expenditure, policy that is established in annual documents passed by the Chamber of Republics and Provinces on the basis of agreement with the republican and provincial assemblies. How can the FEC be blamed for proposing those laws, when that was the only way of stopping the abuse of commonly established policy in the SFRY Assembly?

The situation is similar in the case of the regulations on measures of direct price control. Those measures are the responsibility of the FEC on the basis of Article 23 of the Law on the System of Social Price Control, and the FEC passes them, working together with the republican and provincial executive councils. In passing these regulations, not only is there cooperation with the republican and provincial executive councils, but—before they are passed—the SFRY Assembly is also informed about all the vital elements and the framework of these measures. Although there were also opinions to the contrary, nevertheless the majority opinion of the delegates from the SFRY Assembly was in favor of accepting such an orientation by the FEC. This is logical, because here too, as with the intervention laws, we were dealing with trends in the prices sector that clearly contradicted the policy established by the SFRY Assembly.

In discussions it is stressed that these measures have not brought results. That is, it would seem, in a country with such high inflation, the fact that inflation in 1987 was not 60-80 percent greater does not represent a result, neither does the fact that the growth of all forms of spending was lessened, exports increased, particularly to the convertible currency sphere, a surplus was created in the balance of payments, and so on. The FEC is also not satisfied that the results achieved are much less than expected, particularly with regard to restraining the growth of prices. This is, for the most part, a result of a violation of regulations. This practice has lately become increasingly widespread. It is our duty to give this phenomenom our consideration, because it is not just a question of the proper functioning of the measures, but also of the nonfunctioning of the legal system. And we know who, in keeping with the Constitution, has the duty of ensuring the implementation of federal regulations.

In this, the function of the FEC is also very important. This function expresses itself as the right and the duty to ensure the implementation of policy and the carrying out of laws, other regulations, and general measures of the SFRY Assembly.

If the results of the FEC's work are assessed from the point of view of how policy has been emplemented as a whole in society and how laws, other regulations, and general measures of the SFRY Assembly have been carried out, while losing sight of whether the FEC has any instruments for ensuring their implementation, then the assessment would, without doubt, be negative. Because it is absolutely undeniable that an attitude prevails in society with regard to the implementation of policy and regulations whereby anybody is permitted to behave as he deems will be to his advantage.

It is well-known that most federal regulations are implemented directly by administrative organs and other organs in the republics and autonomous provinces and that they are responsible for their implementation. It is not well known, however, that in the past 2 years in the republican and provincial assemblies particular consideration has been given to the situation with regard to the implementation of federal laws, other regulations, and general measures, and that the question of accountability was raised for the clearly unsatisfactory situation.

This assembly knows that the FEC has quite often drawn attention to the non-implementation of federal regulations. We have also directly drawn the attention of the organs to which this specifically relates, both through the SFRY Assembly and through general, public warnings. The results of all this are known. And there is no question of accountability raised in those organs, and no accountability established.

Here is something else about the FEC's relationship with the SFRY Assembly.

The FEC has attempted in all cases to build its relationship to the assembly on the fact that it is its executive organ and that it is responsible to the assembly for its entire work. As to whether it has always succeeded in this, that is a matter for assessment by the delegates and the Assembly as a whole. Without doubt, it is our duty to make efforts to ensure that this relationship is even better. But we do not accept the criticisms that the FEC wished to hide its authority behind the authority of any other organ, specifically the SFRY Presidency and the LCY Central Committee Presidium. The FEC approached the SFRY Presidency in those cases where issues were involved that were important for the realization of equality between the nations and nationalities and in cases concerning the coordination of the common interests of the republics and the autonomous provinces, based on the constitutional function of the SFRY Presidency to take particular responsibility for those issues. We did this so that already in that phase, as far as possible, those things might be ensured for the proposed measures. The FEC respected the opinions and conclusions of the SFRY Presidency, and did not cite them in order to exert any form of pressure on delegates in the SFRY Assembly during the process of decisionmaking.

Apart from this, the SFRY Presidency, as the "collective head of state", considers topical issues in foreign policy, national defense, the security situation, and the economic, social, and political situation. That is the constitutional duty of the SFRY Presidency. In all this—in keeping with the Constitution and with its role in the political system—the FEC also participates. This in no way lessens the responsibility of the FEC to the SFRY Assembly, but rather contributes to the solving of unresolved problems and the carrying out of duties that are within the FEC's competence also.

This applies also to the participation of FEC representatives in the sessions of the LCY Central Committee Presidium, which discussed the economic and political aspects of the measures of the economic policy and of the economic system, which was also very useful for the FEC.

Cooperation with republican and provincial executive councils, especially in preparing draft acts for the SFRY Assembly, was intensive and very successful. During the past 2-year period, 30 meetings were held with the presidents of the republican and provincial executive councils, 6 meetings with the vice presidents of the executive councils, and 71 sessions of the interrepublican committees. Sessions of the federal committees, on which representatives of republican and provincial organs also sit, have to be added. I think it can be said that during the past period we overcame the previously criticized practice whereby the FEC carries out the process of reaching an agreement on the acts that the Chamber of the Republics and Provinces passes on the basis of consent with the republican and provincial assemblies, with the SFRY Assembly thus being cut out of the process of seeking an agreement. In preparing the drafts of such acts, we accomplished cooperation—not seeking an agreement—with the executive councils of the assemblies of the republics and autonomous provinces (which we are bound to do in accordance with Article 354 of the SFRY Constitution) only to the extent, and until, we have clarified the professional and legal validity of the draft of a specific act, and until we have established what the effects and the consequences of the adoption of a specific regulation will be.

The view expressed by the assembly of the SR of Slovenia says that "It is normal that the FEC itself should pose to itself the question whether or not, in order to implement the economic policy, it requires the clearly expressed confidence taken by a vote in the Chambers." The FEC has decided that it will not itself raise the question about the confidence vote. The assembly chambers can decide on this. We would like to point out the words "clearly expressed confidence." Does it mean that the FEC should not stay in office even if it obtains confidence by a majority vote in the chambers of the SFRY Assembly? What is the meaning of the word "clearly?" Does it mean, if the proposal for a vote of confidence is not accepted, that even during the ensuing period the FEC will be subject to a constant demand to submit its resignation? This conclusion can be inferred by the intimations that soon, in 2-3 months' time, information will be sought about concrete results in the implementation of the measures, and the question of confidence put forward once again. As if it depended on the FEC alone whether or not the proposed program of measures will be carried out. Finally, there are some illogicalities also in the fact that the program of measures prepared by the FEC, they say, enjoys support, but what is denied is not only the ability, but also the readiness of the FEC to carry through and to carry out the reform of the economic system.

Many questions could be derived from that.

For instance, it was the FEC and not some other organ in Yugoslavia that proposed the measures that the SFRY Assembly should discuss and approve today. The FEC is also preparing a concept of the reform of the economic system, about which I spoke earlier on. We have been working on this for 1 and 1/2 years. This also refers to the restructuring of the Yugoslav economy, concerning which we shall soon submit to the Assembly appropriate materials and proposals. Isn't there the logical question:

From where comes the doubt as to the readiness of the FEC to become involved in the implementation of the measures within the framework of its jurisdiction? Is there a connection with the differences manifested in the discussions about the foreign currency system, the program of measures to bring down inflation and to stabilize the economy, about intervention measures, especially as regards the elimination of the disparity in price relations, about the resolution and the budget for 1988? I referred to it in part earlier, so I will not repeat it. We thought that the proposed measures and the reform of the economic system would overcome all this. However, it seems that we were wrong.

Are there really any illusions that the proposed measures and the reform can be carried out only by the FEC, or by any other organ on its own, without the involvement of our entire society, or all our working people and citizens—ranging from the basic organization of socialist labor and local community to all organs and organizations in the municipalities, towns, republics, provinces, and the Federation? I state responsibly that the FEC can carry out that segment of the tasks that are in its jurisdiction, and that the implementation of the measures as a whole will not be attained unless all self-management organizations and communities become involved, and if the broadest social and political activity of the LC, the trade unions, the Socialist Alliance, the youth organization, and of other sociopolitical and social organizations is lacking.

Furthermore, it is common knowledge that for a long time we have been confronting a deep-seated economic, social, societal, and political crisis. Does anyone have any illusions, despite that, that such a serious crisis can be overcome by the change of this or that organ, in this specific case, the FEC? If this was possible we could very easily get out of the crisis and embark along the road of progress. We have been a country of very happy people. What happens when it transpires that the crisis cannot be overcome in this way? Will we carry on changing the organs in the Federation, which would be in keeping with the implementation of the "domino doctrine" line?

It is interesting to note that the assemblies of the republics and provinces approved the reports on the work of their executive councils. In some, this was done even without any discussion. This means that in the republics and provinces everything is in order and good. However, when the report about the work of the FEC was discussed, criticism was uttered in several republican and provincial assemblies, which we will take into consideration, while the assemblies of the SR of Slovenia and the SR of Croatia, according to press reports, made the most negative assessments and decided to raise the question of a vote of confidence in the FEC.

By accident, the discussions about the FEC's work over 2 years, and the initiatives to have a vote of confidence, coincided with the concluding negotiations with the IMF and our creditors about rescheduling the debt, and about resolving the question of cash support for our program. Since information media, and also some official meetings, brought up the question of confidence in the FEC quite some time ago, the creditors, obviously, put off the final decision until after 15 May. We were informed about this in an appropriate way. This is why we cannot start the realization of the measures according to the original plan, but 10-15 days after. However, it is very important both for us and for our creditors that the program should obtain support in the Assembly, and that the proposed laws and the decisions be adopted, otherwise everything would be put off for some considerable time.

In this connection I should like to say something which personally dpresses me greatly. The 6:2 division [of assemblies] has been in existence for some considerable time. This has a negative impact on the Yugoslav social and political situation, and has also provided an occasion for speculations in the world about our country.

To move a question of confidence in the government is proper for every democratic society. We established this facility in our Constitution. One should become accustomed to it being used. However, we hear from the republics whose assemblies decided to bring up the question of confidence, that it is believed that the FEC will get the vote of confidence in the Assembly. The FEC is not concerned with such evaluations and "calculations." The delegates will express their sentiments by voting, and we will join the discussions in the chambers. Not because we want to stay, but because we do not want to leave without saying what we think about this issue. However, we must ask ourselves: Why has the confidence question been mooted at all if it is assumed that the FEC will get a majority of votes. Is it because there is the wish to strengthen or to weaken the role of the FEC? If the first altenrative is at stake, then that could be attained through the reconstruction and staffing consolidation of the FEC and the federal organs of administration, which ought to have been proposed and supported by one's own proposals for the election of appropriate cadres. If, by accident, it is the second alternative we are talking about, then we are dutybound to ask in whose interest it is, and what is the interest in weakening the role of the FEC?

All these are very serious questions, just as our situation is serious. What we are talking about is not this or some other FEC, but what kind of organs we want to have in the Federation, and how to get out of the crisis. Our situation is so serious that we have no right to put off the discussion about the real reasons that have provoked it, and about eradicating them. We must not go on beating around the bush and scratching the surface—we must go in depth, including the clarification of the questions such as the kind of Federation or Yugoslavia we want, an AVNOJ [Antifascist Council of the National Liberation of Yugoslavia] Yugoslavia or some other one, of the federal or some other type, what sort of socialism we

want—self-management socialism or some other of etatist or social-democratic type, a society without party-political monopoly or with that monopoly, or one with a multiparty system. This mustn't be covered up, everything must be laid bare, we must express our views on everything. Alternatively, there are no realistic chances of getting out of the economic, social, and political crisis. It will deepen and become increasingly difficult with all the uncertainties as to how we can overcome it. It follows, therefore, that there are major issues on the agenda, not only of this Assembly, but of our society as a whole.

Decide about the stay or the recall of the FEC in accordance with your own views. I will tell you privately that we are afraid more of what is in store for us should you give the FEC a vote of confidence rather than if you withhold it. The fact is that if the measures we are proposing are not consistently carried out throughout the country, and if, because of that, as has been intimated, the question of responsibility and confidence in the FEC is brought up again in a few months' time—rather than confidence in those who possibly will not carry out the measures—it is better for the FEC to go now than possibly then. Apart from that, as I have said, the FEC is ready to accept responsibility for the implementation of the measures falling under its jurisdiction.

We think that this, and such responsibility, has to be established for all the factors in this country.

These, comrade delegates, are our views. We hope that you will bear them in mind during the discussion, and that you will accept the responsibility for the decision that you will make. It implies the joint resolve that on this occasion we will succeed in implementing the proposed measures, regulations, and decisions—with this or some other FEC—the decision is yours, FEC President Branko Mikulic said in conclusion.

The delegates greeted his statement with applause.

Republics, Provinces Rejects Debate

LD1405165288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1422 GMT 14 May 88

[Text] Belgrade, 14 May (TANJUG)—The Chamber of the Republics and Provinces of the SFRY Assembly today adopted by a majority of votes the report on the 2-year performance of the FEC without a discussion on the vote of confidence in the government.

The proposals of the delegations of the Croat and Slovene Assemblies to open a debate on the vote of confidence in the FEC were not adopted, because 64 out of the 87 delegates voted against them.

Federal Chamber Expresses Confidence

AU1405180588 Belgrade Domestic Service in Serbo-Croatian 1730 GMT 14 May 88

[Text] Slavisa Stojkovic, our reporter in the SFRY Assembly, is again on the telephone:

[Stojkovic] A slight correction—I am not on the telephone. I am talking from the Radio Belgrade special studio in the SFRY Assembly, joining your program precisely at the moment when the delegates in the Federal Chamber are voting on whether or not to hold a discussion on confidence in the FEC.

Let me recall in brief, while the votes are being counted, that 29 delegates from Slovenia and 21 delegates from Croatia have requested such a discussion. Delegate Branko Skok proposed a secret ballot on whether or not the motion of confidence should be discussed. This was rejected because the majority of the delegates demanded a public vote. The votes are just being counted and I propose that we listen to.... [hesitates, breaks off sentence].

Unfortunately we lack the technical facilities to hear the announcement of the vote. We will report back in a minute or two.

[Announcer] Thank you, Comrade Stojkovic. There you are, now you can see how our studio in the SFRY Assembly works. [The newscast ends at 1733 GMT, and a subsequent music program is interrupted at 1741 GMT with the following report]

We are putting our reporter Slavisa Stojkovic on the line again:

[Stojkovic] Yes, the result is now known. The proposal, or rather the request, by the Slovene and Croatian assemblies to discuss a motion on confidence in the FEC has been rejected with 125 votes against and 64 votes in favor. Considering that the request by Slovenia and Croatia experienced a similar fate a few hours ago at the session of the Chamber of the Republics and Provinces—to recall, the vote then was 64 against and 23 in favor of the Slovene and Croatian proposal—the FEC remains as it was. This means that both chambers have expressed their confidence in the FEC. At the same time, the FEC report on its work over the past 2 years was accepted and adopted. Let me add that the Chamber of the Republics and Provinces also adopted amendments to the economic resolution for this year, and endorsed the FEC measures in the past 6 months.

Chambers Approve Changes to Economic Program

Republics, Provinces Approves

LD1405183788 Belgrade TANJUG Domestic Service in Serbo-Croatian 1728 GMT 14 May 88

[Text] Belgrade, 14 May (TANJUG)—The SFRY Assembly Chamber of Republics and Provinces today approved changes to the resolution on economic development for this year that are brought into line with the agreement between Yugoslavia and the IMF.

The resolution sets out a target inflation rate of 90 to 95 percent. Starting from this rate, it lays down the nominal and maximum growth of personal incomes, general and joint consumption and credit and monetary aggregates.

The liberalization of prices, imports, and the foreign exchange market is declared.

Federal Chamber Approves

LD1505140488 Belgrade TANJUG in English 1238 GMT 15 May 88

[Text] Belgrade, May 15 (TANJUG)—The Assembly of Yugoslavia Federal Chamber today passed two intervention laws on cuts in spending, introducing significant changes in the country's economic policy for this year, and also adopted changes in and amendments to a number of existing laws.

The new intervention laws and the amendments to the existing ones are part of a new economic programme of the Yugoslav Federal Government, approved by the two Assembly of Yugoslavia Chambers yesterday. The two Chambers yesterday also gave a confidence vote to the Federal Government of Premier Branko Mikulic.

The new government measures, based on a liberalization of prices, imports and the dinar's rate off exchange, are aimed at lowering the inflation from the present 170 percent or so to 95 percent and at stabilizing the Yugoslav economy.

The intervention laws passed by the Assembly of Yugoslavia today link pays and general and joint spending to prices, meaning that pays would go down if the set inflation target of 95 percent is not achieved. The real drop in pays this year cannot, however, exceed 20 percent, except in work collectives with losses. The work collectives recording good business results, for their part, will be able to raise pays even beyond the set ceiling of 119 percent for 1988. The work collectives which face passing difficulties will guarantee their workers personal incomes equivalent to 80 percent of their average incomes for the previous year, plus a specified percentage to offset the rise in the costs of living.

The new economic measures will take effect at the end of the month and have received the financial support of the International Monetary Fund.

Further on Federal Chamber Session

LD1505224588 Belgrade TANJUG Domestic Service in Serbo-Croatian 0810 GMT 15 May 88

[Excerpts] Belgrade, 15 May (TANJUG)—The Yugoslav Assembly's Federal Chamber today supported the program of measures for the implementation of the economic policy after 15 May. It also approved intervention laws on the temporary restriction of the growth of gross personal incomes and spending in sociopolitical and self-managing communities of interest this year and changes to the law on overall revenue and income.

As measures of social policy and protection are supposed to become a constituent part of economic policy program, the Federal Chamber also approved several conclusions that oblige the FEC to study the proposal of the Presidium of the Council of the Yugoslav Trade Union Federation on social policy measures and propose changes to the existing laws or the adoption of new ones. This Chamber of the Assembly recommends to the republican and provincial Assemblies that they consider the social measures for the purpose of implementing in a more painless way the economic policy program. A recommendation has been sent to organizations, communities and other associations throughout the country to immediately prepare measures for ensuring social security and to establish the real sources of funds for compensation and protection of the standard of living, above all of the employees with the lowest earnings.

The law on the temporary restriction of gross personal incomes (it has been in force since the beginning of 1988) sets out on a unified basis the mass of funds out of which they are to be paid—on the basis of the target inflation rate (90 to 95 percent). At the same time, however, incentives are envisaged for successful collectives and especially those with above-average accumulation.

The essence of the law is in the "linking" of earnings to the movements in retail prices, in other words the target inflation rate. In practical terms this means that if prices "leap ahead" of target inflation, personal incomes would fall. The reduction in incomes, however, cannot be greater than 20 percent, except in the case of loss-makers. [passage omitted]

After completing this work, left over from yesterday's part of the session, the Chamber set about electing a president and vice president of this Assembly Chamber, as well as chairman of its working bodies. [passage omitted]

Delegates at the session went on to elect the chairman of the working bodies of the Federal Chamber who, in conformity with the rule book, will perform this job over the next 2 years.

Zoran Kijac from Bosnia-Hercegovina, was elected as chairman of the Socioeconomic Relations Committee; Sociopolitical Relations Committee—Zarija Martinovic; Internal Policy Committee—Sulejman Redzepagic, from Montenegro; Foreign Policy Committee—Aleksandar Simovic, from Serbia; National Defense Committee—Apostol Arbelski, from Macedonia; Federal Budget Chairman—Branko Skok, from Croatia; Administration of Justice Committee—Dr Kurtes Salihu, from Kosovo; Labor, Health and Social Policy Committee—Dragoljub Jakic, from Montenegro; Veterans' and Disabled Veterans' Questions Committee—Radonja Bojovic, from

Montenegro; Mandate and Immunity Commission—Hijadeta Obrvania, from Bosnia-Hercegovina; Legislative and Legal Commission—Mojse Kostic, from Vojvodina; Control of State Security Service Work Commission—Joze Sussmelj, from Slovenia.

TANJUG Views Election to Presidency

LD1305181488 Belgrade TANJUG in English 1644 GMT 13 May 88

["Pool" item]

[Text] Belgrade, May 13 (TANJUG)—The term in office of the current President of the Yugoslav Presidency, Lazar Mojsov, 68, expires in two days. In the next 12 months, current vice-president Raif Dizdarevic, 62, will take over this post as "the first among equals," and Stane Dolanc, 63, Slovenian Republican Presidency member, will be the next vice-president, according to an already established rotation procedure.

Raif Dizdarevic, the representative of Bosnia-Hercegovina in the Presidency, will be the tenth president of Yugoslavia since President Tito's death. The collective state leadership was established 17 years ago, during Josip Broz Tito's lifetime.

The Presidency president's term in office is one year and the change is made in mid-May. The members of the current Presidency are the most prominent political figures from all republics and provinces and they were appointed in 1984 for a five-year term.

The collective Yugoslav leadership, whose ninth member is the president of the League of Communists of Yugoslavia (Branko Krunic at present), is also the collective commander of the country's armed forces.

The Presidency deals with questions of foreign policy and state security, appoints and recalls ambassadors, and proposes to the Federal Assembly the candidate for the post of prime minister. The collective leadership discusses and gives initiatives and evaluations on all other key issues in the country.

There is practically no difference among the Presidency members - the president is only the first among equals since each member of the collective leadership represents the head of state in public.

The presidency members are chosen by the republics and provinces (each chooses its own candidate) by secret ballot, and the Federal Assembly only promulgates the choice.

In the present membership in the "collective head of state" only representatives of Bosnia-Hercegovina have been changed, two times, so far. Branko Mikulic, who was elected prime minister in 1986, was replaced by Hamdija Pozderac. When Pozderac submitted his resignation last fall due to involvement in the Agrokomerc financial scandal he was replaced by Dizdarevic who becomes the next president of the Yugoslav Presidency on Sunday.

Joint Assembly Moves On to Election of Officials

Dizdarevic Elected President

LD1505114288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1030 GMT 15 May 88

[Text] Belgrade, 15 May (TANJUG)—At a session chaired by President Lazar Mojsov, the SFRY Presidency elected and proclaimed Raif Dizdarevic as president and Stane Dolanc as vice president of the SFRY Presidency.

The election and proclamation of the president and the vice president were carried out in accordance with the SFRY Constitution and on the basis of the sequence established by the standing orders relating to the work of the SFRY Presidency. The 1-year term of office of the newly elected president and vice president respectively begins 16 May.

The ceremony of the election and the proclamation was attended by Marjan Rozic, president of the SFRY Assembly, and Branko Mikulic, president of the FEC.

On behalf of all SFRY Presidency members, Lazar Mojsov congratulated Raif Dizdarevic on his election as president and Stane Dolanc as vice president of the SFRY Presidency and wished them success in the work awaiting both them and the SFRY Presidency in the coming year.

Giving thanks on behalf of Stane Dolanc and in his own name for the election, Raif Dizdarevic said that joint work, collective spirit, working accord, and joint responsibility for the implementation of the duties of the SFRY Presidency established by the Constitution and legislation are traditional in this organ. He recalled that everyone performing these duties is leaning for support on this well-established, democratic practice and can function only as a part of that practice. "Being conscious of that," Dizdarevic said, "we are thanking you in advance for your support for the discharge of our duties during the year ahead of us."

On behalf of all the members of the SFRY Presidency, Raif Dizdarevic expressed special gratitude to Lazar Mojsov who, as he said, "during the past difficult year so selflessly and with such self-denial worked day and night to help the SFRY Presidency to carry out its responsibilities. He carried the biggest burden. In addition, in contributing to the work of the Presidency, he built in his great values, rich experience, breadth, and feeling for

work together to nurture the spirit of cooperation and especially of accountability of the SFRY Presidency to our country's citizens and for the affirmation of Yugoslavia in the world."

Raif Dizdarevic stressed that the SFRY Presidency is entering the last year of its mandate. At the same time, this is the year of changes that brook no delay and in which we shall start moving out of the crisis. He said that there is no longer any time for discussions that go nowhere and that these present times call for changes and action.

"We have established the causes of the crisis and the ways of coming out of it," stressed Dizdarevic." We have, and in fact have had for quite some time now, a vision of the development of our system of socialist self-management democracy. But one does not live on visions that are not enlivened by efficient action, standing firmly on the ground of reality, on the ground of what must be done now and achieved now. This is so that the vision does not remain a utopia. At the same time, by creatively developing our practice we can rid ourselves of the dogmatization of concepts and solutions that were good yesterday but inadequate for tomorrow, so that we can rid ourselves of concepts and solutions not accepted by life that have proved themselves to be unfeasible and irrational.

"Conditions have been formed so that we can embark along this road in a more resolute fashion. The concept gained the upper hand that we must tackle deeper reforms without further delay, without hesitation, without the compromises that do not allow one to move forward. The SFRY Presidency has been involved in this with all its energy. Several major tasks stand before us this year for the implementation of this objective.

"Although inadequate, the forthcoming constitutional changes—enriched through public discussion—will have to be adopted within the envisioned time scale so that we can move further. This applies especialy to the earliest possible implementation of those constitutional changes that are required for the establishment of conditions for a radical economic reform which—as a result of the changes in the economic system and the measures making these changes possible—should be prepared this year so its implementation can start this year.

"These reforms finally are being tackled within the May program of economic measures. This will be the first big test. These measures will be the begianing of far-reaching changes only if they are carried out comprehensively, consistently, and by everyone. Already they are threatened by a one-sided approach that reduces everything only to price increases. This must not be allowed to happen. This is not the objective of these measures. By giving life to these measures we must ensure the implementation of the priorities we established as the basic priorities for this year: revival and growth of the economy—its emanicapation from administrative constraints and the prescribed slavery of big creative potentials. Its orientation toward the market, the world, and technological progress. The objective of these measures and those which must follow is constantly to bring down inflation that, in our assessment, is our biggest evil and that, as such, is felt by all the citizens of our country, whether or not we see this as being the case.

"Anyone who takes any step that could interrupt this effort or strike a blow against these initial steps of reform will bear the responsibility for the continuation of a situation that only brings harm to everyone.

"We are duty-bound to make our full contribution to all these changes, and we all know that it was not easy to arrive at them, nor will it be easy or painless to carry them out. However, there is no other way to progress.

"The SFRY Presidency is determined and resolute in this, just as it was in the effort to embark along this road," emphasized Dizdarevic. "In keeping with its constitutional responsibilities, it will persist in giving life to this line of action."

Raif Dizdarevic emphasized in particular that there are battles that must not be lost. This is because if they are lost, previously won battles will be lost as well. "Exactly now we are conducting such a battle throughout Yugoslavia," he said. "It can be successful only if—in the efforts to implement concrete orientations ane every measure for the way out of the crisis—the whole of Yugoslavia is united and if our unity becomes deeds, identical feelings of responsibility, and joint action by everyone. This is the preordained and lasting interest of all the people of our country, of all the nations and nationalities, and the republics and provinces, and there can be no greater interest than that interest—the unity of the socialist self-management of Yugoslavia."

Expressing thanks once again for the confidence placed in him, Dizdarevic emphasized that "we are entering the last year of the term of office of this Presidency aware of the tasks before us and resolved to carry them out."

Dizdarevic, Dolanc Biographies

LD1505163488 Belgrade TANJUG in English 1140 GMT 15 May 88

[Text] Belgrade, May 15 (TANJUG)—After the annual rotation in Yugoslavia's collective leadership today, Raif Dizdarevic is new president and Stane Dolanc new vice-president. The two have biographies of revolutionaries and politicians of long standing.

— Raif Dizdarevic was born on the 9th December, 1926, in Fojnica into a well known Bosnian Moslem family. He had six brothers and three sisters.

War brought Raif Dizdarevic's formal education to an abrupt end. As a sign of protest at the occupation of the country, it was decided that all the children in the family would stop attending school.

As he says today: When I was young it was my ambition to work in the exact sciences, to do research, but at the time all personal desires could not be fulfilled.

Instead he attended the extremely demanding post-war courses which permitted persons whose education had been interrupted by the war to gain higher education.

Raif Dizdarevic joined the partizans in August 1943 at the age of sixteen. Towards the end of the war, although one of the youngest combatants, he became an officer in the Department for the protection of the People (OZNA).

He worked in OZNA until 1951, when he joined the Federal Secretariat for Foreign Affairs where he worked from 1951 to 1967. His period of service in the diplomatic corps took him to Bulgaria (1951-1954), the Soviet Union (1956-1959) and Czechoslovakia (1963-1967).

There followed what he describes as the job he enjoyed the most—in the federal and Bosno-Herzegovinian republican trade union organisations. He describes the great pleasure he took in his work as being due to the continuous contact with people and everyday life.

During his illustrious career, Raif Dizdarevic has been assistant federal secretary for foreign affairs (1972-1974), president of the Presidency of the Socialist Republic of Bosnia and Hercegovina (1978-1982) and the first president of the Assembly of Yugoslavia with a one-year mandate (1982-1983). Since spring 1984, he has been federal secretary for foreign affairs. In late 1987, he was elected vice president of Yugoslavia.

Raif Dizdarevic and his wife Sena have been married for 37 years and have two children and four grandchildren. Both of the children are university educated, the son being an informatics engineer and the daughter an art historian.

There is little spare time in the Dizdarevic family but, when he has a moment to himself, Raif Dizdarevic enjoys reading historical novels or watching a good football or basketball match on television. Whenever possible they go to their native Fojnica and like nothing better than to take an easy walk with their friends on the nearby Mount Vranica.

— Stane Dolanc was born November 16, 1925 in Hrastnik, Slovenia. He was graduated from the Faculty of Law in Ljubljana.

He was active in the Liberation Front of Slovenia from 1941 and was arrested by Gestapo the same year. He joined the National Liberation Army on June 1, 1944. Up to 1960 he performed various military duties.

Dolanc has been a member of the League of Communists of Yugoslavia since September 1944. He performed various responsible duties in the party. He is professor at the Faculty of Political Science in Ljubljana and at the Faculty for Security and General-Social Defence in Skopje.

From May 1982 until his election in presidency of SFRY in May 1984, he was federal secretary of the interior.

Dolanc is married, has two children.

New Defense Secretary Appointed

LD1505105888 Belgrade TANJUG Domestic Service in Serbo-Croatian 0904 GMT 15 May 88

[Text] Belgrade, 15 May (TANJUG)—On the proposal of the president of the FEC, the chambers of the SFRY Assembly today appointed new federal secretaries and presidents of the federal committees.

Colonel General Veljko Kadijevic was appointed federal secretary of national defense; Nenad Krekic was appointed federal secretary of the newly formed Secretariat for Economic Relations with Foreign Countries; Dr Petar Vajovic was appointed federal secretary for legislation, justice, and administration; and Milan Seslija was appointed president of the Federal Committee for Veteran and War disabled affairs.

Reason for Replacement Viewed

LD1505195588 Belgrade TANJUG Domestic Service in Serbo-Croatian 0845 GMT 15 May 88

[Text] Belgrade, 15 May (TANJUG)—At their joint session today, the delegates to the SFRY Assembly's Federal Chamber and the Chamber of the Republics and Provinces elected Dusan Popovski, delegate from Macedonia, new president of the SFRY Assembly with a 1-year mandate, and Spasoje Medenica, delegate from Montenegro, vice president. Following the election, both the president and the vice president were formally sworn in.

The election proceedings were attended by Lazar Mojsov and Raif Dizdarevic, president and vice president respectively of the SFRY Presidency; Vidoje Zarkovic, member of the LCY Central Committee Presidium; Milojko Drulovic, president of the SAWPY Federal Conference; Branko Mikulic, president of the FEC; and representatives of other organs and organizations of the Federation and the Yugoslav People's Army.

At the start of today's session, the delegates and guests were addressed by the incumbent president of the SFRY Assembly, Marjan Rozic, who expressed his gratitude for cooperation and emphasized that, in light of the deepening crisis, the SFRY Assembly's work can not be described as successful.

Much more could have been done and better results produced if there had been more determination in implementing stabilization and especially in creating and executing declared development policy.

The reasons for discrepancies between the efforts invested and the results achieved, according to Rozic, are to be found in the crisis itself, which forced the delegates into a situation in which they felt called on to pass prompt decisisions but at the same time encountered increasing difficulties in passing them. These difficulties originated in a view and practices that underestimated and shunned the delegate system.

The first congratulations and wishes for successful work were extended to Dusan Popovski and Spasoje Medenica by Omer Kurpejovic, president of the Federal Chamber, who presided over the session.

The delegates were then addressed by the newly elected president of the assembly, Dusan Popovksi, who expressed thanks for the display of confidence and went on to say that he accepted his new appointment as a great human and moral duty. I am deeply convinced, Popovski emphasized, that the most essential prerequisite for and the greatest guarantee of successfully performing the most important function in the SFRY Assembly is an atmosphere of mutual and comradely confidence, help, support, and cooperation, with, in addition, respect for the views of others and a critical spirit in relations between the delegates and delegations.

Popovski went on to express firm belief that in its present composition the SFRY Assembly is capable of investing even more efforts in promoting the delegate system, suppressing unlawful actions, and opening up prospects for creativity and creative work.

Noting that in the coming period the SFRY Assembly is to expect great and complex tasks, Popovski went on to list some of them. According to him, the delegates will have to concentrate on, in particular, ensuring that the adopted documents are being implemented; on new regulations; and on establishing closer cooperation between the SFRY Assembly and the Assemblies of the Republics and Provinces and other organized subjective forces in society.

Later the delegates elected the presidents of the two assembly chambers' joint working bodies with a 2-year mandate. Janos Sreder (Vojvodina) is president of the Commission for Elections and Appointments; Dusan Popovski (Macedonia), the Commission for Constitutional Issues; Metodi Zvrcinov (Macedonia), Administrative Commission; Ibrahim Hadzic (Bosnia-Hercegovina), Commission for Information; Gojmir Komar (Slovenia), Commission for Establishing Common Texts in the Languages of Yugoslavia's Nationalities; Hisen Ramadani (Macedonia), Commission for Petitions and Complaints; Dr Jelka Miljkovic (Serbia), Commission for the Protection and Improvement of the Human Environment; Blazenka Knjaz (Croatia), Commission for Science; Istvan Berdal (Serbia), Commission for Agriculture; Ante Beneti (Croatia), Commission for Monitoring the Operating Procedures of the SFRY Assembly; Momcilo Saletic (Montenegro), Commission for Monitoring the Implementation of the Law on Associated Labor.

The delegates to both chambers elected Dr Branislav Ivanovic president of the Constitutional Court of Yugoslavia following his election as judge of the same court.

At the proposal of Branko Mikulic, president of the FEC, the chambers also released a number of officials from individual federal organs and appointed new ones. The Chamber of the Republics and Provinces was unanimous on the proposal for release, but in the Federal Chamber four delegates abstained. One Federal Chamber delegate also abstained over the new appointments.

Branko Mikulic, president of the FEC, gave a detailed explanation of his proposals. He first concentrated on the release of Fleet Admiral Branko Mamula from the post of the federal secretary for national defense.

Under the current regulations, Fleet Admiral Branko Mamula, federal secretary for national defense, will cease his active military service on 31 December 1988. He was appointed federal secretary for national defense on 15 May 1982. After his first mandate expired in 1986, he was reappointed to the same post for another mandate. Insisting on the strict observance of the provisions in the law on service in the armed forces under which army generals and fleet admirals can remain in active military service up to the age of 65 unless the SFRY Presidency, within its jurisdiction, extends this for another 2 years, Admiral Mamula personally asked back in June 1987 to be released from the positions of federal secretary for national defense and member of the FEC in 1988, 2 years before the expiration of the second mandate, Mikulic said.

He went on to recall Branko Mamula's exceptional biography, emphasizing that Mamula, as one of the last in the group of war veterans in our armed forces, through his words and deeds has worked indefatigably for their modernization and strengthening in accordance with material potentials and the imperative of the time; for safeguarding the fundamental values on which our

socialist, self-managing community is based, and safeguarding the system of all-people's defense and social self-protection; and for strengthening our united and independent socialist Yugoslavia.

Mamula's contribution in developing frinedly relations with other states and their armed forces is exceptional, Mikulic said. In this he has always advocated the principles of the policy of nonalignment and the widest interests and goals of Yugoslavia's foreign policy.

The FEC President went on to explain that because of reorganization in the federal administration he had proposed that the following officials be released from the abolished organs: Nenad Krekic, Dr Petar Vajovic, Aleksandar Donev, Andrej Ocvirk, and Dr Lojze Ude. Ilija Vakic, president of the Federal Committee for War Veterans and Disabled Veterans Affairs, was released at his own request.

Mikulic stressed that because of the possible vote of confidence in the FEC, he abandoned further consultations on other changes in the FEC's composition and in the federal administrative organs, but that he intended to continue with the consultations immediately in order to come up with concrete proposals as soon as possible.

After the proposed appointments, the posts to remain vacant are those of the federal secretary for economy and the president of the Federal Committee for Transport and Communications, Mikulic said.

The delegates went on to release the following from their present offices: Fleet Admiral Branko Mamula, Nenad Krekic, Dr Aleksandar Donev, Dr Petar Vajovic, Dr Andrej Ocvirk, Dr Lojze Ude, Ilija Vakic, Colonel General Veljko Kadijevic, Dragon Mozetic, Svetozar Zecar, Milenko Sarac, and Miodrag Gajinov.

This was immediately followed by the following appointments: federal secretary for national defence, Colonel General Veljko Kadijevic; federal secretary for foreign economic relations, Nenad Krekic; federal secretary for legislature, justice and administration, Dr Petar Vajovic; president of the Federal Committee for War Veterans and Disabled Veterans Affairs, Milan Seslija; deputy federal secretary for economy, Milenko Sarac.

The newly appointed officials were officially sworn in.

Assembly Elects New President

LD1505085888 Belgrade TANJUG Domestic Service in Serbo-Croatian 0816 GMT 15 May 88

[Text] Belgrade 15 May (TANJUG)—At a joint session today, the delegates in the Federal Chamber and the Chamber of the Republics and Provinces of the SFRY Assembly elected Dusan Popovski from Macedonia the new president of the Yugoslav Asembly, and Spasoje Medenica from Montenegro the assembly vice president. The term of office of the newly elected assembly officials will be 1 year.

President of Federal Chamber Elected

LD1505104388 Belgrade TANJUG Domestic Service in Serbo-Croatian 0929 GMT 15 May 88

[Text] Belgrade 15 May (TANJUG)—The new president of the SFRY Assembly's Federal Chamber is Stejpan Novakovic from Croatia, and the new vice president is Joze Marolt from Slovenia. They were elected today at a session of this assembly house. Their term of office will be 1 year.

Republics, Provinces Leaders Elected

LD1505105288 Belgrade TANJUG Domestic Service in Serbo-Croatian 0927 GMT 15 May 88

[Text] Belgrade, 15 May (TANJUG)—The delegates in the SFRY Assembly's Chamber of the Republics and Provinces today elected Abaz Kazazi from Kosovo president of this Assembly house, and Miodrag Veljkovic from Serbia as vice president. The term of office of the newly elected assembly officials will be 1 year.

BORBA Views Price Policy After 15 May

AU1405183788 Belgrade BORBA in Serbo-Croatian 11 May 88 p 1

[M. Dapcevic report: "More Than Half of the Prices To Be Set Freely"]

[Text] It has still not been officially announced which prices will be free after 15 May and which will be controlled, although decisions were made a long time ago.

As we have learned, the latest version of the classification and categorization of prices is as follows: Those to remain at the so-called present [zatecen] level (established by the FEC) are electric power, coal, oil derivatives, natural gas, type-500 flour and bread made with this flour, sugar, edible oil, tobacco and cigarettes, railroad transportation, post, telegraph and telephone services.

We have learned that the FEC will insist that these prices (and they represent 21.9 percent of all retail prices) should nevertheless be set according to certain common elements.

The second group encompasses about 4 percent of all retail prices and they will be set with the FEC's consent. These are the following: salt, agricultural chemicals, plastics, washing materials (detergents included), lacquers, pasteurized and sterilized milk, and cattle fodder. The highest price level will apply to type-850 flour and

bread made with it, as well as to fresh meet—beef, young beef, and pork (the other kinds of meat are not mentioned which means their prices will be set freely).

A special decision has been prepared for the price of coffee, which means that it will not be free, but will depend on the dollar exchange rate and imports expenses.

According to this variant, about 4 percent of industrial production will have to report the increase of prices to the Prices Institute 30 days before they are implemented. This applies primarily to the prices of construction materials. There apparently is still uncertainty about what will happen with the iron and steel and nonferrous metal industries, although the possibility has been mentioned that prices in this field be set free.

All other prices, and this means over one-half of industrial production, will be free after 15 May.